

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) SHEPHERDSVILLE JEWELRY & PAWN LLC 189 ADAM SHEPHERD PARKWAY UNIT 10 SHEPHERDSVILLE, KY 40165, BULLITT	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 775045-2016-0297-B1B		
	3. PERMIT/LICENSE NUMBER 461029029G05542	4a. TARGET DATE 9/6/2016	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, 07/14/2016

8. PURPOSE/SPECIAL INSTRUCTIONS

Conduct full firearms compliance inspection in accordance with applicable provisions of ATF H 5030.2C and the 2016 Domain Assessment. This licensee has not been inspected since 5/28/13 (App).

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	10	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	42	NO. OF TECS HITS	1	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: 08/05/2016

The current inspection disclosed 10 violations of the Gun Control Act which warrants a recommendation of Warning Letter due to the licensee accepting a non-qualifying state permit as a substitute for the NICS check in (b)(6) instance. Warning Letter requested. No recall recommended. No referrals were submitted.

Jerry Foster submitted an Amended Application to change his premise/mailling address from 189 Adam Shepherd Parkway, Unit 17, Shepherdsville, Ky. 40165 to 189 Adam Shepherd Parkway, Unit 10, Shepherdsville, Ky. 40165. IOI (b)(6) contacted Shepherdsville Planning and Zoning Officer (b)(6) who stated the proposed activity was approved at the new location. The licensee stated the landlord approved of the proposed activity and provided a copy of the lease. The Amended Application was reviewed with the licensee. No changes were made. Jerry Foster stated they had to move out of the old premise by the beginning of August. Louisville II Supervisor (b)(6) approved the address change. FLS now reflects the new address of 189 Adam Shepherd Parkway, Unit 10, Shepherdsville, Ky. 40165. A separate assignment was not created for the Amended Application Inspection.

Viols WL ONLY and No Recall Inspection

12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b)(6)	
JUL 2016	20.00		
AUG 2016	25.00		
ATF OFFICER'S SUBTOTAL	45.00	ATF OFFICER'S SIGNATURE	
TOTAL HOURS	45.00		

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) SHEPHERDSVILLE JEWELRY & PAWN LLC 189 ADAM SHEPHERD PARKWAY UNIT 10 SHEPHERDSVILLE, KY 40165, BULLITT	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 775045-2016-0297-B1B		
	3. PERMIT/LICENSE NUMBER 461029029G05542	4a. TARGET DATE 9/6/2016	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

FFL cited for 10 violations. Rise to the level of WL. WL and PII mailed on 8/5/2016

Viols WL ONLY and No Recall Inspection

☒ REVIEWED

☒ CONCUR

☒ SEE COMMENTS

☒ FINAL DISPOSITION

SIGNATURE AND TITLE

(b)(6) - Area Supervisor

REVIEW DATE

08/05/2016

ROUTING SEQUENCE AND DATE

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

CONTROL FILE POSTED DATE _____



U.S. Department of Justice
Bureau of Alcohol, Tobacco,
Firearms and Explosives

600 Dr. Martin Luther King Jr. Place, Suite 500
Louisville, Kentucky 40202

August 5, 2016

www.atf.gov

775045(b) (6)
5300

**CERTIFIED MAIL/
RETURN RECEIPT REQUESTED**

Shepherdsville Jewelry & Pawn, LLC (FFL # 4-61-05542)
189 Adam Shepherd Parkway, Unit 10
Shepherdsville, Ky. 40165

Dear Licensee:

During a recent compliance inspection at your firearms business covering the period of July 19, 2016 to August 3, 2016, you were cited for violations of 27 Code of Federal Regulations, Part 478. A copy of the ATF Form 5030.5, Report of Violations, issued at the time of the inspection is enclosed.

The violations were fully explained to you by Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Industry Operations Investigator (IOI) (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 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 IOI (b)(6) or myself at (502) 753-3500.

Sincerely yours,

(b)(6)

Area Supervisor
Louisville II Field Office

Enclosure

cc: Federal Firearms Licensing Center
Director, Industry Operations
File

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 Shepherdsville Jewelry & Pawn, LLC	Street Address 189 Adam Shepherd Parkway, Unit 10	City Shepherdsville	State Ky.	ZIP Code 40165	County Bullitt	Page 1 of 3 Pages
License/Permit/Registry Number (if any) 4-61-029-02-9G-05542		Expiration Date 7-1-19	Date(s) or Period of Inspection 7-19-16 to 8-3-16			

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 478.125(e)	Failure to properly maintain the acquisition and disposition record in (b)(3) 112 instances. Licensee incorrectly recorded a firearm acquisition in the A & D record in (b)(3) 112 instances. Licensee failed to record a firearm acquisition in the A & D record in (b)(3) 112 instances.	The licensee was instructed to begin maintaining the A & D record accurately and in a timely manner. Licensee was instructed to make the appropriate corrections to the A & D record, which they did.	immediately
2	27CFR478.21(a)	Failure to obtain a properly completed ATF F4473. 317 forms were examined. Errors were found in (b)(3) instances on (b)(3) forms. The following was found: In (b)(3) 112 instances, Item 10a (2012 edition) was blank. In (b)(3) 112 instance, Item 11a (2012 edition) was incorrect. In (b)(3) 112 instances, Item 18 (2012 edition) was blank. In (b)(3) 112 instances, Item 24 (2012 edition) was blank. In (b)(3) 112 instances, Item 25 (2012 edition) was blank. In (b)(3) 112 instances, Item 30a (2012 edition) was blank. In (b)(3) 112 instance, Item 31 (2012 edition) was blank. In (b)(3) 112 instance, Item 32 (2012 edition) was blank. In (b)(3) 112 instances, Item 33 (2012 edition) was blank. In (b)(3) 112 instances, Item 35 (2012 edition) was blank.	Licensee was instructed to not transfer a firearm if the transferee answers Item 11a (2012 edition) "NO" stating they are not the actual buyer. Licensee was instructed to examine all ATF F4473s completed by purchasers to ensure that all required information is fully complete and correct. Licensee was instructed to properly complete ATF F4473s.	immediately

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

Signature and Title of ATF Officer (b)(6) ICE

Date 8-3-16

Date 8-3-16

ATF Form 5030.3
Revised April 2005

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 Shepherdsville Jewelry & Pawn, LLC	Street Address 189 Adam Shepherd Parkway, Unit 10	City Shepherdsville	State Ky.	ZIP Code 40165	County Bullitt	Page <u>2</u> of <u>3</u> Pages
License/Permit/Registry Number (if any) 4-61-029-02-9G-05542		Expiration Date 7-1-19	Date(s) or Period of Inspection 7-19-16 to 8-3-16			

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)
3	27CFR478.124(c)(1)	Failure to obtain a properly completed ATF F4473 in ^{(b)(3) 1} but of 317 forms examined. A total of ^{(b)(3) 1} instances were found to be either missing, incomplete or incorrect. The following was found: In ^{(b)(3) 1} instance, Item 11d (2012 edition) was blank. In ^{(b)(3) 1} instance, Item 11j (2012 edition) was blank. In ^{(b)(3) 112} instances, Item 13 (2012 edition) was blank. In ^{(b)(3) 112} instances, Item 14 (2012 edition) was blank. In ^{(b)(3) 1} instance, Item 16 (2012 edition) was blank. In ^{(b)(3) 112} instances, Item 17 (2012 edition) was blank or incorrect.	Licensee was instructed to examine all ATF F4473s completed by purchasers to ensure that all required information is fully complete and correct.	immediately
4	27CFR478.124(c)(3)(i)	After the transferee has executed the ATF F4473, the licensee shall verify the identity of the transferee by examining the identification document. The licensee failed to receive a valid identification or failed to record id information in ^{(b)(3) 112} instances on ^{(b)(3) 1} forms. In ^{(b)(3) 1} instances, Item 20a (2012 edition) was incomplete.	The licensee must verify the identity of the transferee by examining the identification document and record all transferee's identification information on the ATF F4473.	immediately
5	27CFR478.124(c)(3)(iv)	Failure to properly complete ATF F4473s. 317 forms were examined. Errors were found in ^{(b)(3) 112} instances on ^{(b)(3) 112} forms. The following was found: In ^{(b)(3) 11} instance, Item 21a (2012 edition) was incomplete. In ^{(b)(3) 11} instances, Item 21d (2012 edition) was blank.	Licensee was instructed to properly complete ATF F4473s.	immediately
6	27CFR478.124(c)(4)	Failure to properly complete ATF F4473s. 317 forms were examined. Errors were found in ^{(b)(3) 1} instance on ^{(b)(3) 1} form. The following was found: In ^{(b)(3) 11} instance, Item 27 (2012 edition) was blank.	Licensee was instructed to begin completing ATF F4473 completely and accurately.	immediately

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 Shepherdsville Jewelry & Pawn, LLC	Street Address 189 Adam Shepherd Parkway, Unit 10	City Shepherdsville	State Ky	ZIP Code 40165	County Bullitt	Page 3 of 3 Pages
License/Permit/Registry Number (if any) 4-61-029-02-9G-05542		Expiration Date 7-1-19	Date(s) or Period of Inspection 7-19-16 to 8-3-16			

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)
7	27CFR478.124(c)(5)	Failure to properly complete ATF F4473s. 317 forms were examined. Errors were found in (b)(3) instances on seven forms. The following was found: In (b)(3) 112 instances, Item 34 (2012 edition) was blank. In (b)(3) 112 instances, Item 36 (2012 edition) was blank.	Licensee was instructed to begin completing ATF F4473 completely and accurately.	immediately
8	27CFR478.131(a)(2)	Failure to properly complete ATF F4473s. 317 forms were examined. Errors were found in (b)(3) 1 instance on (b)(3) 1 form. The following was found: In (b)(3) 1 instance, Item 23 (2012 edition) was incorrect.	Licensee was instructed to begin completing ATF F4473 completely and accurately.	immediately
9	27CFR478.102(a)	The licensee failed to conduct a background check (NICS check) or obtain a valid state permit in one instance in violation of 27CFR478.102(a). In this instance, the licensee completed an ATF F 4473 but accepted a non-qualifying state permit as a substitute for the NICS check. The licensee accepted an Indiana CCDWL from (b)(6) 5-4-16.	The licensee was instructed to conduct a NICS check or obtain valid alternative permit for any firearms transferred/sold.	immediately
10	27CFR478.129(b)	Failure to retain an ATF F4473 in (b)(3) 112 instances. Licensee failed to maintain (b)(3) 112 ATF F 4473s for approved/open transactions during the review period according to NICS transaction numbers acquired prior to the inspection (4-20-16 NTN # (b)(3) 112 Public L, 6-9-16 NTN # (b)(3) 112 Public L, 6-20-16 NTN # (b)(3) 112 Public L, 6-21-16 NTN # (b)(3) 112 Public L, 7-15-16 NTN # (b)(3) 112 Public L).	The licensee was instructed to retain the ATF F 4473s in which a sale, delivery, or transfer takes place in either alphabetical, chronological or numerical order for a period of not less than 20 years. The licensee was instructed that if a NICS check has been initiated for a proposed firearms transaction but the sale, delivery, or transfer of the firearm is not made, the licensee must retain the ATF F 4473 for a period of not less than 5 years.	immediately

FIREARMS INSPECTION REPORT

Name: Shepherdsville Jewelry & Pawn, LLC
Trade Name:

UI#: 775045-2016-0297-B1B
FFL#: 4-61-029-02-9G-05542

Address: 189 Adam Shepherd Parkway, Unit 10
Shepherdsville, Ky. 40165 Bullitt County

1 - Introduction

Inspection Profile:

On July 19, 2016, ATF IOI (b)(6) visited the business premise of Shepherdsville Jewelry & Pawn, LLC for the purpose of conducting a Disposition Emphasis Compliance Inspection and an Amended Application Inspection on the Type 02 Federal Firearms License # 4-61-029-02-9G-05542 with an expiration date of July 1, 2019. The business is a limited liability company in which Jerry Foster is listed as owner and sole responsible person. Jerry Foster's identity was verified by Kentucky Driver's License # (b)(6). Jerry Foster was interviewed and the on-site inspection began. The inspection period is July 19, 2015 to present. Advance notice was provided due to the change of address on the Amended Application. Jerry Foster submitted an Amended Application to change his premise/ mailing address from 189 Adam Shepherd Parkway, Unit 17, Shepherdsville, Ky. 40165 to 189 Adam Shepherd Parkway, Unit 10, Shepherdsville, Ky. 40165. IOI (b)(6) contacted Shepherdsville Planning and Zoning Officer (b)(6) who stated the proposed activity was approved at the new location. The licensee stated the landlord approved of the proposed activity and provided a copy of the lease. The Amended Application was reviewed with the licensee. No changes were made. Jerry Foster stated they had to move out of the old premise by the beginning of August. Louisville II Supervisor (b)(6) approved the address change. FLS now reflects the new address of 189 Adam Shepherd Parkway, Unit 10, Shepherdsville, Ky. 40165. A separate assignment was not created for the Amended Application Inspection.

Business Profile:

Shepherdsville Jewelry & Pawn primarily conducts retail sales of firearms and pawn redemptions. The licensee estimated (b)(4) of firearm transfers are pawn redemptions and (b)(4) of firearm transfers are retail sales. The licensee stated they do not deal in consignments, conduct internet sales, conduct gunsmithing activity or sell firearms at gun shows. The business premise is a commercial storefront located in an urban area of Shepherdsville, Ky. at 189 Adam Shepherd Parkway, Unit 10. A Type 02 FFL is the appropriate license for the type of business activity conducted. The licensee currently maintains 194 firearms in inventory. This FFL acquired (b)(4) firearms during the previous year. Handguns account for (b)(4) of the business and long guns account for (b)(4) % of the business. Used firearms account for approximately (b)(4) of transfers and new firearms account for approximate (b)(4) of transfers. The

FIREARMS INSPECTION REPORT

Name: Shepherdsville Jewelry & Pawn, LLC
Trade Name:

UI#: 775045-2016-0297-B1B
FFL#: 4-61-029-02-9G-05542

licensee primarily acquires new firearms from (b) (4) appear to be the primary employees of Shepherdsville Jewelry & Pawn. NCIC did not indicate any of these individuals were prohibited. Hours of operation are currently listed as Monday to Saturday 9 am to 6 pm.

Ownership and Control:

As previously stated, the business is a limited liability company in which Jerry Foster is listed as owner and sole responsible person. Jerry Foster stated he owns 100% of the business. No changes in ownership/control reported. The KY Secretary of State database lists this LLC as active and in good standing. (See **Exhibit 1- LLC Information**) No hidden ownership is suspected.

Variance:

No variance requests were submitted as a result of this inspection.

2 - Recommendation

The current inspection disclosed 10 violations of the Gun Control Act which warrants a recommendation of Warning Letter due to the licensee accepting a non-qualifying state permit as a substitute for the NICS check in one instance. Warning Letter requested. No recall recommended. No referrals were submitted.

3 - Inspection History

Date of Inspection: 5/22/2013
Type of Inspection: Qualification Inspection
UI#: 775045-2013-0294-B1B
Inspection Results: Approve original.
Cited Violations:

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

The licensee maintains a computerized A & D record which is in the correct format. The licensee stated they have been conducting an inventory for comparison to the A & D record on an annual basis. There was a tag system set up which would reference a particular firearm in the physical inventory with the A & D records. The licensee stated the acquisitions and dispositions are typically entered into the bound book at the time of the transaction. The licensee's procedures with regards to the inventory and A & D

FIREARMS INSPECTION REPORT

Name: Shepherdsville Jewelry & Pawn, LLC
Trade Name:

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FFL#: 4-61-029-02-9G-05542

record need to show improvement as there were eight errors disclosed during the current inspection.

At the time of the inspection, there were 194 firearms in physical inventory and there were (b)(3) firearms on hand according to the licensee's A & D records. A 100% inventory was conducted on the firearms. (b)(3) discrepancies were disclosed at that time.

Firearms located on commercial invoices and pawn tickets were compared to the A & D record. No discrepancies disclosed.

(b)(3) ATF F 4473s during the inspection period were compared to the A & D record. No discrepancies disclosed.

The error rate for failing to timely and/or correctly record acquisitions is 2.2%. The error rate for failing to timely and/or correctly record dispositions is 0%.

After the final reconciliation, the following violations of 27 CFR 478.125(e) regarding the inventory and A & D record were reported on the Report of Violations: Licensee incorrectly recorded a firearm acquisition in the A & D record in (b)(3) instances. Licensee failed to record a firearm acquisition in the A & D record in (b)(3) instances. (See Exhibit 2- A & D Violation Photos, Violations, Report of Violations, Worksheet 2 - Inventory and A & D Review Worksheet)

5 - ATF Forms 4473 – NICS & Other Dispositions

Each salesclerk is responsible for the proper completion of ATF Forms 4473 at the time of the transaction. The licensee verifies the ID of the purchaser, enters the licensee information and signs the form. There were (b)(3) errors disclosed during the current inspection which were related to the identification section. There were (b)(3) errors related to the certification section. The licensee currently maintains their ATF F 4473s in chronological order. The licensee maintains the denials separately. The licensee failed to maintain (b)(3) ATF F 4473s during the inspection period. Overall, the error rate for proper completion of the ATF F 4473 was 13.2% during the inspection period. The licensee's procedures with regards to the ATF F 4473 need to show improvement. There are instances where a firearm is shipped to a licensee outside the business on behalf of a customer. In these instances, the licensee obtains a certified copy of the recipient dealer's FFL and a file copy is maintained.

The review period covered one year (July 19, 2015 to present). All transfers for this period (317 ATF F 4473s) were reviewed. There were deficiencies noted on (b)(3) forms. These violations included the following:

FIREARMS INSPECTION REPORT

Name: Shepherdsville Jewelry & Pawn, LLC
Trade Name:

UI#: 775045-2016-0297-B1B
FFL#: 4-61-029-02-9G-05542

Failure to obtain a properly completed ATF F4473. (b)(3)-(12) forms were examined. Errors were found in (b)(3) instances on (b)(3) forms. The following was found: In (b)(3)-(12) instances, Item 10a (2012 edition) was blank. In (b)(3)-(12) instance, Item 11a (2012 edition) was incorrect. In (b)(3)-(12) instances, Item 18 (2012 edition) was blank. In (b)(3) instances, Item 24 (2012 edition) was blank. In (b)(3) instances, Item 25 (2012 edition) was blank. In (b)(3)-(12) instances, Item 30a (2012 edition) was blank. In (b)(3)-(12) instance, Item 31 (2012 edition) was blank. In (b)(3)-(12) instance, Item 32 (2012 edition) was blank. In (b)(3)-(12) instances, Item 33 (2012 edition) was blank. In (b)(3)-(12) instances, Item 35 (2012 edition) was blank. **(See Exhibit 3-Photos of ATF F 4473 Errors for Violation of 27CFR478.21(a), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

Failure to obtain a properly completed ATF F4473 in (b)(3) out of (b)(3)-(12) forms examined. A total of (b)(3) instances were found to be either missing, incomplete or incorrect. The following was found: In (b)(3)-(12) instance, Item 11d (2012 edition) was blank. In (b)(3)-(12) instance, Item 11l (2012 edition) was blank. In (b)(3)-(12) instances, Item 13 (2012 edition) was blank. In (b)(3)-(12) instances, Item 14 (2012 edition) was blank. In (b)(3)-(12) instance, Item 16 (2012 edition) was blank. In (b)(3)-(12) instances, Item 17 (2012 edition) was blank or incorrect. **(See Exhibit 4- Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(1), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

After the transferee has executed the ATF F4473, the licensee shall verify the identity of the transferee by examining the identification document. The licensee failed to receive a valid identification or failed to record id information in (b)(3)-(12) instances on (b)(3)-(12) forms. In (b)(3)-(12) instances, Item 20a (2012 edition) was incorrect or incomplete. **(See Exhibit 5-Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(3)(i), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

Failure to properly complete ATF F4473s. (b)(3)-(12) forms were examined. Errors were found in (b)(3)-(12) instances on (b)(3)-(12) forms. The following was found: In (b)(3)-(12) instance, Item 21a (2012 edition) was incomplete. In (b)(3)-(12) instances, Item 21d (2012 edition) was blank. **(See Exhibit 6- Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(3)(iv), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

Failure to properly complete ATF F4473s. 317 forms were examined. Errors were found in (b)(3)-(12) instance on (b)(3)-(12) form. The following was found: In (b)(3)-(12) instance, Item 27 (2012 edition) was blank. **(See Exhibit 7- Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(4), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

FIREARMS INSPECTION REPORT

Name: Shepherdsville Jewelry & Pawn, LLC
Trade Name:

UI#: 775045-2016-0297-B1B
FFL#: 4-61-029-02-9G-05542

Failure to properly complete ATF F4473s. (b)(3)-11 forms were examined. Errors were found in (b)(3) instances on (b)(3) 112 Pub forms. The following was found: In (b)(3) instances, Item 34 (2012 edition) was blank. In (b)(3) 112 Pub instances, Item 36 (2012 edition) was blank. **(See Exhibit 8- Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(5), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

Failure to properly complete ATF F4473s. (b)(3)-11 forms were examined. Errors were found in (b)(3) 112 instance on (b)(3) 112 form. The following was found: In (b)(3) 112 instance, Item 23 (2012 edition) was incorrect. **(See Exhibit 9- Photos of ATF F 4473 Errors for Violation of 27CFR478.131(a)(2), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

The licensee failed to conduct a background check (NICS check) or obtain a valid state permit in one instance in violation of 27CFR478.102(a). In this instance, the licensee completed an ATF F 4473 but accepted a non-qualifying state permit as a substitute for the NICS check. The licensee accepted an Indiana CCDWL from (b)(6) on 5-4-16. **(See Exhibit 10- Photos of ATF F 4473 Errors for Violation of 27CFR478.102(a), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

Transaction approval numbers were acquired from NICS for the period of May 20, 2016 to July 19, 2016. There were 32 approval numbers/open transactions for this period. There were three denied transactions during the inspection period. All 35 NTN's were compared to the ATF F 4473s. This comparison disclosed the licensee failed to maintain (b)(3) 112 ATF F 4473s for approved/open transactions during the review period according to NICS transaction numbers acquired prior to the inspection (6-9-16 NTN # (b)(3) 112 Public Law 55 125 STAT 552). The licensee was cited for a violation of 27CFR478.129(b). **(See Exhibit 11- NICS Audit Log, Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

Overall, there were deficiencies noted on (b)(3) of the (b)(3) 112 Public Law 55 reviewed which is an error rate of 13.2%. There were (b)(3) errors related to the certification section (1.9% error rate). The licensee failed to record valid and complete identification in (b)(3) 112 instances (1.3% error rate). The licensee accepted a non-qualifying state permit as substitute for the NICS check in (b)(3) 112 instance. The licensee failed to retain an ATF F 4473 in (b)(3) 112 instances. Violations of 27 CFR §§ 478.21(a), 478.124(c)(1), 478.124(c)(3)(i), 478.124(c)(3)(iv), 478.124(c)(4), 478.124(c)(5), 478.131(a)(2), 478.102(a) and 478.129(b) were cited on the Report of Violations. **(See Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)**

FIREARMS INSPECTION REPORT

Name: Shepherdsville Jewelry & Pawn, LLC
Trade Name:

UI#: 775045-2016-0297-B1B
FFL#: 4-61-029-02-9G-05542

6 - Multiple Sales

The licensee reported one multiple sale of handguns during the past year according to the report acquired from the Violent Crime Analysis Branch. A review of the ATF F 4473s during the previous year disclosed no unreported Multiple Handgun Sales. (See **Exhibit 12- VCAB Query**)

7 - Suspicious/Prohibited Purchasers

The ATF F 4473s during the inspection period were reviewed to determine if any trafficking patterns were present. Two individuals were identified as having unusual purchases or purchase patterns, and additional checks were conducted (LEAD and NCIC). In these two instances, the additional checks did not indicate firearms trafficking activity. No referrals made.

8 - Trace Activity

Prior to conducting the inspection, the Firearms Trace History of the licensee was obtained from the Violent Crime Analysis Branch for the previous year. The VCAB Query indicated the licensee was associated with no firearm trace requests. (See **Exhibit 12- VCAB Query**)

A secondary market analysis was conducted. (b)(3) used firearms were randomly chosen from the A & D record. These firearms were run through NCIC and LEAD. There were no firearms associated with the secondary market analysis which had been reported stolen according to NCIC. There were no firearms associated with the secondary market analysis which had been traced after the firearm was acquired by the FFL.

9 - NFA/Importer/Collector/Manufacturer

No NFA/Importer/Collector/Manufacturer operations conducted.

10 - Referrals

No referrals.

11 - Other

No other information.

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12 - Closing Actions

On July 19, 2016, a review of the regulatory requirements was conducted by IOI (b)(6) at the licensed premises. Jerry Foster and (b)(6) were present. An Acknowledgement of Federal Firearms Regulations was signed by Jerry Foster. (See **Exhibit 13-Acknowledgement of Federal Firearms Regulations**)

A Report of Violations (ATF F 5030.5) was issued on August 3, 2016 by IOI (b)(6) and reviewed. Jerry Foster and (b)(6) were present. Jerry Foster signed the Report of Violations. (See **Report of Violations**)

13 - Violations

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

Failure to properly maintain the acquisition and disposition record in (b)(3) 112 P instances.

Licensee incorrectly recorded a firearm acquisition in the A & D record in (b)(3) 11 instances. Licensee failed to record a firearm acquisition in the A & D record in (b)(3) 11 instances.

Jerry Foster stated the A & D errors were unintentional mistakes. Jerry Foster stated they were going to be more vigilant in recording and reviewing transactions in the A & D record.

The licensee was instructed to begin maintaining the A & D record accurately and in a timely manner. Licensee was instructed to make the appropriate corrections to the A & D record, which they did.

(See **Exhibit 2- A & D Violation Photos, Violations, Report of Violations, Worksheet 2 - Inventory and A & D Review Worksheet**)

2. **27 CFR 478.21(a) – Forms Prescribed**

Failure to obtain a properly completed ATF F4473. 317 forms were examined. Errors were found in (b)(3) instances on (b)(3) forms. The following was found:

In (b)(3) 112 P instances, Item 10a (2012 edition) was blank.

In (b)(3) 11 instance, Item 11a (2012 edition) was incorrect. In (b)(3) 11 instance, the transferee/buyer answered Item 11a “No” stating they were not the actual transferee/buyer and the firearm was transferred. NCIC did not disclose this individual was prohibited. LEAD did not disclose any traces for this individual.

In (b)(3) 112 instances, Item 18 (2012 edition) was blank.

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In (b)(3) instances, Item 24 (2012 edition) was blank.

In (b)(3) instances, Item 25 (2012 edition) was blank.

In (b)(3) 11a instances, Item 30a (2012 edition) was blank.

In (b)(3) 31a instance, Item 31 (2012 edition) was blank.

In (b)(3) 32 instance, Item 32 (2012 edition) was blank.

In (b)(3) 33 instances, Item 33 (2012 edition) was blank.

In (b)(3) 35 instances, Item 35 (2012 edition) was blank.

Jerry Foster stated the ATF F 4473 errors were unintentional mistakes. (b)(6) stated he was the salesclerk for most of the transactions and he did not know a customer was required to re-certify in Item 24 and Item 25 if the transfer took place on a different day than the customer originally filled out Section A. IOI (b)(6) found an ATF F 4473 in which (b)(6) was the salesclerk and which he did require the customer to re-certify in Item 24 and Item 25 when the transfer took place on a different day than the customer originally filled out Section A. IOI (b)(6) showed this form to (b)(6) who stated he must have forgot about that requirement. Jerry Foster and (b)(6) stated they get busy and have not been thoroughly reviewing the ATF F 4473. Jerry Foster stated they were going to be more vigilant in reviewing the ATF F 4473s in the future.

Licensee was instructed to not transfer a firearm if the transferee answers Item 11a (2012 edition) "NO" stating they are not the actual buyer. Licensee was instructed to examine all ATF F4473s completed by purchasers to ensure that all required information is fully complete and correct. Licensee was instructed to properly complete ATF F4473s.

(See Exhibit 3-Photos of ATF F 4473 Errors for Violation of 27CFR478.21(a), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)

3. 27 CFR 478.124(c)(1) – Firearms Transaction Record

Failure to obtain a properly completed ATF F4473 in (b)(3) out of (b)(3) 11a forms examined. A total of (b)(3) instances were found to be either missing, incomplete or incorrect. The following was found:

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In (b)(3) 11d instance, Item 11d (2012 edition) was blank. NCIC did not disclose this individual was prohibited.

In (b)(3) 11l instance, Item 11l (2012 edition) was blank. NCIC did not disclose this individual was prohibited.

In (b)(3) 112 Fd instances, Item 13 (2012 edition) was blank.

In (b)(3) 112 Fd instances, Item 14 (2012 edition) was blank.

In (b)(3) 11g instance, Item 16 (2012 edition) was blank.

In (b)(3) 112 Fd instances, Item 17 (2012 edition) was blank or incorrect.

Jerry Foster stated the ATF F 4473 errors were unintentional mistakes. Jerry Foster and (b)(6) stated they get busy and have not been thoroughly reviewing the ATF F 4473. Jerry Foster stated they were going to be more vigilant in reviewing the ATF F 4473s in the future.

Licensee was instructed to examine all ATF F4473s completed by purchasers to ensure that all required information is fully complete and correct.

(See Exhibit 4- Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(1), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)

4. 27CFR478.124(c)(3)(i) – Firearms Transaction Record

After the transferee has executed the ATF F4473, the licensee shall verify the identity of the transferee by examining the identification document. The licensee failed to receive a valid identification or failed to record id information in (b)(3) 112 instances on (b)(3) 112 forms.

In (b)(3) 112 instances, Item 20a (2012 edition) was incorrect or incomplete.

Jerry Foster stated the ATF F 4473 errors were unintentional mistakes. Jerry Foster and (b)(6) stated they get busy and have not been thoroughly reviewing the ATF F 4473. Jerry Foster stated they were going to be more vigilant in reviewing the ATF F 4473s in the future.

The licensee must verify the identity of the transferee by examining the identification document and record all transferee's identification information on the ATF F4473.

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(See Exhibit 5- Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(3)(i), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)

5. 27CFR478.124(c)(3)(iv) – Firearms Transaction Record

Failure to properly complete ATF F4473s. 317 forms were examined. Errors were found in (b)(3)(12) instances on (b)(3)(12) forms. The following was found:

In (b)(3)(12) instance, Item 21a (2012 edition) was incomplete.

In (b)(3)(12) instances, Item 21d (2012 edition) was blank.

Jerry Foster stated the ATF F 4473 errors were unintentional mistakes. Jerry Foster and (b)(6) stated they get busy and have not been thoroughly reviewing the ATF F 4473. Jerry Foster stated they were going to be more vigilant in reviewing the ATF F 4473s in the future.

Licensee was instructed to properly complete ATF F4473s.

(See Exhibit 6- Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(3)(iv), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)

6. 27CFR478.124(c)(4) – Firearms Transaction Record

Failure to properly complete ATF F4473s. (b)(3)(12) forms were examined. Errors were found in (b)(3)(12) instance on (b)(3)(12) form. The following was found:

In (b)(3)(12) instance, Item 27 (2012 edition) was blank.

Jerry Foster stated the ATF F 4473 errors were unintentional mistakes. Jerry Foster and (b)(6) stated they get busy and have not been thoroughly reviewing the ATF F 4473. Jerry Foster stated they were going to be more vigilant in reviewing the ATF F 4473s in the future.

Licensee was instructed to begin completing ATF F4473 completely and accurately.

(See Exhibit 7- Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(4), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)

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7. 27CFR478.124(c)(5) – Firearms Transaction Record

Failure to properly complete ATF F4473s. 317 forms were examined. Errors were found in (b)(3) instances on seven forms. The following was found:

In (b)(3) 112 F05 instances, Item 34 (2012 edition) was blank.

In (b)(3) 112 F05 instances, Item 36 (2012 edition) was blank.

Jerry Foster stated the ATF F 4473 errors were unintentional mistakes. Jerry Foster and (b)(6) stated they get busy and have not been thoroughly reviewing the ATF F 4473. Jerry Foster stated they were going to be more vigilant in reviewing the ATF F 4473s in the future.

Licensee was instructed to begin completing ATF F4473 completely and accurately.

(See Exhibit 8- Photos of ATF F 4473 Errors for Violation of 27CFR478.124(c)(5), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)

8. 27CFR478.131(a)(2) – Firearms Transactions not Subject to a NICS Check

Failure to properly complete ATF F4473s. (b)(3) 112 forms were examined. Errors were found in (b)(3) 112 instance on (b)(3) 112 form. The following was found:

In (b)(3) 112 instance, Item 23 (2012 edition) was incorrect. NCIC disclosed that in this instance, the permit was valid at the time of transfer.

Jerry Foster stated the ATF F 4473 errors were unintentional mistakes. Jerry Foster and (b)(6) stated they get busy and have not been thoroughly reviewing the ATF F 4473. Jerry Foster stated they were going to be more vigilant in reviewing the ATF F 4473s in the future.

Licensee was instructed to begin completing ATF F4473 completely and accurately.

(See Exhibit 9- Photos of ATF F 4473 Errors for Violation of 27CFR478.131(a)(2), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)

9. 27CFR478.102(a)- Sales or Deliveries of Firearms on and after November 30, 1998

The licensee failed to conduct a background check (NICS check) or obtain a valid state permit in one instance in violation of 27CFR478.102(a).

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In (b)(3) 112 instance, the licensee completed an ATF F 4473 but accepted a non-qualifying state permit as a substitute for the NICS check. The licensee accepted an Indiana CCDWL from (b)(6) on 5-4-16. NCIC did not disclose this individual was prohibited.

Jerry Foster and (b)(6) stated they thought they could accept an out of state concealed carry permit in lieu of conducting a background check. Jerry Foster stated he would ensure they only accepted a KY CCDWL in the future.

The licensee was instructed to conduct a NICS check or obtain valid alternative permit for any firearms transferred/sold.

(See Exhibit 10- Photos of ATF F 4473 Errors for Violation of 27CFR478.102(a), Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)

10. 27CFR478.129(b) – Record Retention

Failure to retain an ATF F4473 in (b)(3) 112 instances.

Licensee failed to maintain (b)(3) 112 ATF F 4473s for approved/open transactions during the review period according to NICS transaction numbers acquired prior to the inspection
(b)(3) 112 Public Law 55 125 STAT 552

Jerry Foster and (b)(6) stated they believed two of the NTN's were cancelled transactions and the forms were likely thrown away. Jerry Foster and (b)(6) stated that the remaining (b)(3) 112 transactions involved a sale and a pawn redemption. Jerry Foster and (b)(6) stated they knew a form was completed for these (b)(3) 112 transactions because they found the NTN's in their computer system but did not know what happened to the forms.

The licensee was instructed to retain the ATF F 4473s in which a sale, delivery, or transfer takes place in either alphabetical, chronological or numerical order for a period of not less than 20 years. The licensee was instructed that if a NICS check has been initiated for a proposed firearms transaction but the sale, delivery, or transfer of the firearm is not made, the licensee must retain the ATF F 4473 for a period of not less than 5 years.

(See Exhibit 11- NICS Audit Log, Violations, Report of Violations, Worksheet 3 - ATF Form 4473 (2012 Edition) Review Worksheet)

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X

Industry Operations Investigator

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