

## Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY)  Mountain ATV LLC 106 Village Center Road Harlan, KY 40831, Harlan	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) <p style="text-align: center;">775025-2016-0056-B1B</p> 3. PERMIT/LICENSE NUMBER    4a. TARGET DATE    4b. TARGET HOURS <p style="text-align: center;">461095028F03227                      9/30/2016</p> 5. REQUESTED BY (SIGNATURE, TITLE AND DATE) <p style="text-align: center;">05/01/2016</p>
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6. ATF OFFICER(S) ASSIGNED  
**(b)(6)** - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)  
**(b)(6)**, Area Supervisor, 10/03/2015

8. PURPOSE/SPECIAL INSTRUCTIONS  
 Conduct full EEI Inspection following instructions provided in the Frontline Manual and FY 16 Coding Guidelines.

9. INSPECTION RESULTS			<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC	10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	7	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	3	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: 07/21/2016  
 On May 09, 2016, Industry Operations Investigator (IOI) **(b)(6)** conducted a Compliance Inspection of Mountain ATV, LLC (Mt. ATV), holding Federal Firearms License (FFL) 4-61-03227. Owner and responsible person (RP) Darby Bennett was identified and interviewed. Advanced notice was given because the storefront was listed as permanently closed since January 01, 2016 on the website. The storefront is still owned by RP Bennett. He explained that he will be downsizing opening back up in the near future at a new location.

Prior to inspection, a RAC notification letter was completed and forwarded to the appropriate party. The inspection covered the time period of May 09, 2015 through May 09, 2016. The inspection was initiated on May 09, 2016 and completed on May 10, 2016. At the request of the licensee, the closing conference was delayed and was held on July 07, 2016, at which time ATF Form 5030.5, Report of Violations (ROV), was issued. A warning letter with no recall inspection is recommended

Violts WL ONLY and No Recall Inspection

12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	<b>(b)(6)</b>		
OCT 2015	2.50		
NOV 2015	4.00		
MAR 2016	4.00		
MAY 2016	30.00		
JUN 2016	25.00		
JUL 2016	48.00		
ATF OFFICER'S SUBTOTAL	113.50	ATF OFFICER'S SIGNATURE	
TOTAL HOURS	113.50		

# Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Mountain ATV LLC 106 Village Center Road Harlan, KY 40831, Harlan	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 775025-2016-0056-B1B		
	3. PERMIT/LICENSE NUMBER 461095028F03227	4a. TARGET DATE 9/30/2016	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE) 05/01/2016		

### 13. REVIEW AND ROUTING

#### REVIEW COMMENTS AND RECOMMENDATION

EI inspection resulted in the issuance of ROV for 7 violations, one of which was a Repeat Violation from a previous inspection. Recommendation of Warning Letter and No Recall concurred with. WL issued on 7/25/16. PII sent to FFLC on 7/25/16.

Viols ROV ONLY No Recall Inspection

REVIEWED       CONCUR       SEE COMMENTS       FINAL DISPOSITION

SIGNATURE AND TITLE (b)(6) - Area Supervisor	REVIEW DATE 07/25/2016
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#### 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 Mountain ATV LLC	Street Address 106 Village Center Road	City Harlan	State KY	Zip Code 40831-	County Harlan	Page 1 of 5 Pages
License/Permit/Registry Number <i>(If any)</i> 461095028F03227		Expiration Date 6/1/2018	Date(s) or Period of Inspection 05/09/2015 through 05/09/2016			

### 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:**

Licensee failed to timely and accurately record the Acquisition and/or Disposition of a firearm in the Acquisition and Disposition Record on a total of (b)(3) occasions.

Licensee failed to timely and accurately record the Acquisition of a firearm in its bound record on (b)(3) occasions (b)(3) - Public Law 112-55 (125 Stat. 552), (b)(6)

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

(b)(3) - Public Law 112-55 (125 Stat. 552), (b)(6) Acquisitions were researched recorded after inventory was completed.

Licensee failed to timely and accurately record the Disposition of a firearm in its bound record on (b)(3) occasions (b)(3) - Public Law 112-55 (125 Stat. 552), (b)(6)

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

(b)(3) - Public Law 112-55 (125 Stat. 552), (b)(6) These firearms were open entries in the A&D Record that were sold on ATF Forms 4473. Dispositions were reconciled through a review of the forms and corrected entries were made.

Licensee failed to record disposition information for the (b)(3) firearms (b)(3) - Public Law 112-55 (125 Stat. 552), (b)(6)

**Date Corrections to be Made:**

*(If not corrected immediately)*

**Corrective Action to be Taken:**

*(If not corrected immediately)*

After reconciliation and IOI (b)(6) verification, RP Bennett immediately recorded the correct acquisition and disposition of the firearms. In the future, licensee is to ensure that all acquisitions and dispositions are timely and accurately recorded. On 06/14/15, a Theft/Loss report was completed for the firearms that could not be located. IOI (b)(6) reviewed all of the A&D Requirements with staff members.

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License/Permit/Registry Number (If any) 461095028F03227	Expiration Date 6/1/2018	Date(s) or Period of Inspection 05/09/2015 through 05/09/2016				

### Inspection Results

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

(b) (3) - Public Law 112-55 (125 Stat. 552), (b) (6)  
(b) (3) - Public Law 112-55 (125 Stat. 552), (b) (6) The firearms could not be located and were reported on a theft/loss report.

Citation: 27 CFR 478.125(e)

Number: 2

#### Nature of Violation:

The Licensee failed to ensure the transferee was not a prohibited prior to transferring a firearm on (b)(3) occasion (b)(3) - Public Law 112-55 (125 Stat. 552), (b) (6), 11 J and K answered Yes).

Citation: 27 CFR 478.99(c)

Number: 3

#### Nature of Violation:

Licensee failed to ensure that Section A of ATF Form 4473 was properly completed prior to transferring a firearm to a non-licensee on (b)(3) - Public Law 112-55 (125 Stat. 552), (b) (6) occasions (b) (3) - Public Law 112-55 (125 Stat. 552), (b) (6)

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

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

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, the Licensee is to immediately stop any transfer in which it is known or there is reasonable cause to believe the transferee is prohibited. The transferee section of the ATF Form 4473 is to be thoroughly reviewed for prohibitive information.

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

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

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, the Licensee is to immediately stop any transfer in which it is known or there is reasonable cause to believe the transferee is prohibited. The transferee section of the ATF Form 4473 is to be thoroughly reviewed for prohibitive information.

# Report of Violations

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License/Permit/Registry Number <i>(If any)</i> 461095028F03227		Expiration Date 6/1/2018	Date(s) or Period of Inspection 05/09/2015 through 05/09/2016			

### Inspection Results

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

**Citation:** 27 CFR 478.124(c)(1)

**Number:** 4

**Nature of Violation:**

Licensee failed to properly complete ATF Form 4473 according to the form's headings and instructions on at least (b)(3) occasions. On all completed ATF Forms 4473, Questions 31 (Trade/Corporate name and address) and 32 (Federal Firearms License Number) were left blank. In addition, question 18 (Type of firearm(s) to be transferred) was left blank on (b)(3) occasions and questions 33 (Transferor's/Seller's Name) and 35 (Transferor's/Seller's Title) were left blank on (b)(3) 112 Public occasions. See ROV Attachment 01 for full information.

**Citation:** 27 CFR 478.21(a)

**Number:** 5

**Nature of Violation:**

Licensee failed to ensure that a valid government issue photo identification was reviewed and appropriately documented on the ATF Form 4473 prior to the transfer of a firearm on (b)(3) occasions (b)(3) - Public Law 112-55 (125 Stat. 552), (b)(6)

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

**Citation:** 27 CFR 478.124(c)(3)(i)

**Date Corrections to be Made:**

*(If not corrected immediately)*

**Corrective Action to be Taken:**

*(If not corrected immediately)*

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, Licensee is to ensure that all ATF Form 4473 headings and instructions are followed and each form is fully completed.

**Date Corrections to be Made:**

*(If not corrected immediately)*

**Corrective Action to be Taken:**

*(If not corrected immediately)*

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, the Licensee is to ensure that all required NICS information is obtained and recorded.

# Report of Violations

### Instructions

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Name of Proprietor Mountain ATV LLC	Street Address 106 Village Center Road	City Harlan	State KY	Zip Code 40831-	County Harlan	Page 4 of 5 Pages
License/Permit/Registry Number <i>(If any)</i> 461095028F03227	Expiration Date 6/1/2018	Date(s) or Period of Inspection 05/09/2015 through 05/09/2016				

### Inspection Results

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

**Number:** 6

**Nature of Violation:**

Licensee failed to record, in section B of the ATF Form 4473, the date on which the licensee contacted the NICS, the response provided by the system, or the identification number provided by the system on <sup>(b) (3)</sup> occasions (b) (3) - Public Law 112-55 (125 Stat. 552), (b) (6)

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

**Citation:** 27 CFR 478.124(c)(3)(iv)

**Date Corrections to be Made:**

*(If not corrected immediately)*

**Corrective Action to be Taken:**

*(If not corrected immediately)*

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, the Licensee is to ensure that all required NICS information is obtained and recorded.

**Number:** 7

**Nature of Violation:**

Licensee failed to sign and date section D of the ATF Form 4473 on <sup>(b)(3) 112 Public</sup> occasions

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

**Date Corrections to be Made:**

*(If not corrected immediately)*

**Corrective Action to be Taken:**

*(If not corrected immediately)*

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. Licensee researched and confirmed each date of transfer. Licensee is to make a copy of the ATF Form 4473, complete the corrections on the form copy, and affix the corrected form to the original form. In the future, Licensee is to ensure forms are completed fully and accurately. All completed corrections were verified by IOI (b)(6)

# Report of Violations

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License/Permit/Registry Number <i>(If any)</i> 461095028F03227	Expiration Date 6/1/2018	Date(s) or Period of Inspection 05/09/2015 through 05/09/2016				

### Inspection Results

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

**Citation:** 27 CFR 478.124(c)(5)

I Have Received a Copy of This Report of Violations <i>(Proprietor's signature and title)</i>	Date
Signature and Title of ATF Officer	Date

December 10 2018 Production

570



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

1040 Monarch Street, Suite 250  
Lexington, Kentucky 40513

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July 25, 2016

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

775025 (b)(6)  
5300

**CERTIFIED MAIL/  
RETURN RECEIPT REQUESTED**

106 Village Center Road  
Harlan, KY 40831  
Harlan County

Dear Licensee:

During a recent compliance inspection at your firearms business covering the period of May 09, 2015 through May 09, 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 (b)(6).

Sincerely,

(b)(6)

Area Supervisor  
Lexington II Field Office

Enclosure

cc: Federal Firearms Licensing Center  
Director, Industry Operations  
File

# FIREARMS INSPECTION REPORT

**Name:** Mountain ATV, LLC  
**Trade Name:**

**UI#:** 775025-2016-0056  
**FFL#:** 4-61-095-02-8F-03227

**Address:** 106 Village Center Road  
Harlan, KY 40831  
Harlan County

## 1 - Introduction

### Inspection Profile:

On May 09, 2016, Industry Operations Investigator (IOI) (b)(6) conducted a Compliance Inspection of Mountain ATV, LLC (Mt. ATV), holding Federal Firearms License (FFL) 4-61-03227. Owner and responsible person (RP) Darby Bennett was identified and interviewed. Advanced notice was given because the storefront was listed as permanently closed since January 01, 2016 on the website. The storefront is still owned by RP Bennett. He explained that he will be downsizing opening back up in the near future at a new location.

Prior to inspection, a RAC notification letter was completed and forwarded to the appropriate party. The inspection covered the time period of May 09, 2015 through May 09, 2016. The inspection was initiated on May 09, 2016 and completed on May 10, 2016. At the request of the licensee, the closing conference was delayed and was held on July 07, 2016, at which time ATF Form 5030.5, Report of Violations (ROV), was issued (**EX 08, Report of Violations**). A warning letter with no recall inspection is recommended.

### Business Profile:

Established in 2008, Mt. ATV is a locally owned and operated retail shop in suburban Harlan, KY. The store sells firearms, firearm accessories, and ammunition to the general public, family, and friends. It also sells hunting supplies and ATVs from the same retail location. RP Bennett does not participate in gun shows and does not sell firearms over the internet. Mt. ATV does not offer consignment of firearms and does not import or export any firearms. Mt. ATV does not have its own website for sales and does not sell any firearms over the internet. It does not import, export, or consign firearms. The main supplier for the business is (b)(4). Mt. ATV does not hold any other ATF licenses or hold any governmental contracts. RP Bennett does not participate in gun shows and does not utilize any off-site storage.

Mt. ATV, LLC is fully owned by RP Bennett and is in good standing with the Kentucky Secretary of State (**EX 11, Secretary of State Corporate Report**).

# FIREARMS INSPECTION REPORT

**Name:** Mountain ATV, LLC  
**Trade Name:**

**UI#:** 775025-2016-0056  
**FFL#:** 4-61-095-02-8F-03227

For the inspection period, Mt. ATV acquired approximately (b)(4) firearms and disposed of approximately (b)(4) firearms. Almost all firearms in inventory were new firearms. Mt. ATV had 209 total firearms in inventory at the time of inspection with 125 (60%) handguns, 73 (35%) long guns and 11 (5%) receivers. It did not have any NFA firearms in inventory at the time of inspection.

## Ownership and Control:

Mt. ATV is wholly owned by RP Darby Bennett. RP Bennett is the sole responsible person listed on the license and is regularly in the store for oversight. He normally has one (1) to two (2) other regular full time employees for the store at all times. He did not wish to add any responsible persons at the time of inspection. There have been no unreported changes of ownership or control of the business. There was no evidence of hidden ownership.

## Variance:

Mt. ATV does not hold any ATF variances and none were requested or recommended during the inspection.

## **2 - Recommendation**

ROV Issued. Warning Letter recommended due to the violation of 27 CFR 478.125(e) resulting in (b)(3)-(12) FIREARMS firearm being reported as a lost or stolen firearm (**see section 14 and EX 01, Violation 01**). This violation is a repeat violation. No recall inspection recommended. As of January 01, 2016, the licensee has closed the storefront with no timeframe for reopening. No referrals were made as a result of this inspection.

## **3 - Inspection History**

Mt. ATV has the following ATF inspection history:

<b>Date of Inspection:</b>	February 11, 2009
<b>Type of Inspection:</b>	Qualification
<b>UI#:</b>	775025-2009-0142
<b>Inspection Results:</b>	Approve Application
<b>Cited Violations:</b>	N/A

# FIREARMS INSPECTION REPORT

Name: Mountain ATV, LLC  
Trade Name:

UI#: 775025-2016-0056  
FFL#: 4-61-095-02-8F-03227

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

A full 100% inventory was conducted of the licensee's firearms on May 09, 2016. The licensee had 209 total firearms in inventory at the time of the inspection. After reconciliation, (b)(3) - (1)(2) Public Law firearms could not be located and were reported as lost or stolen firearms with the local police department and ATF (**EX 12, Theft/ Loss Report**). The following violation was cited for A&D Record issues:

- Licensee failed to timely and accurately record the Acquisition of a firearm in its bound record on (b)(3) occasions.
- Licensee failed to timely and accurately record the Disposition of a firearm in its bound record on (b)(3) occasions. These firearms were open entries in the A&D Record that were sold on ATF Forms 4473. Dispositions were reconciled through a review of the forms and corrected entries were made.
- Licensee failed to record disposition information for (b)(3) - (1)(2) Public Law firearms. The firearms could not be located and were reported on a theft/loss report.

**See Section 14; Worksheet 2, A&D Review; and EX 01, Violation 01.**

At the conclusion of the inspection, RP Bennett wished to have a fresh start with his A&D Record. He took a full inventory, logged all of his firearms in inventory out of his old books, and began a new A&D Record. RP Bennett is also contemplating starting a new limited liability company when he is ready to move to the new location.

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

IOI (b)(6) reviewed a total of (b)(3) - (1)(2) Public Law ATF Forms 4473 completed during the inspection period. The forms were kept in chronological order by either long gun, handgun, or pawned gun. IOI (b)(6) explained the requirement of keeping the forms in full chronological order and RP Bennett stated that, when the store reopens, the forms will no longer be kept by type categories and will be one file of full chronological order.

The following errors with the ATF Forms were cited:

- The Licensee failed to ensure the transferee was not a prohibited prior to transferring a firearm on (b)(3) - (1)(2) Public Law occasion (**see Section 14; Worksheet 2, A&D Review; and EX 02, Violation 02**).
- Licensee failed to ensure that Section A of ATF Form 4473 was properly completed prior to transferring a firearm to a non-licensee on (b)(3) - (1)(2) Public Law occasions (**see Section 14; Worksheet 2, A&D Review; and EX 03, Violation 03**).
- Licensee failed to properly complete ATF Form 4473 according to the form's headings and instructions on at (b)(3) - (1)(2) Public Law occasions. On all completed ATF Forms 4473, Questions 31 (Trade/Corporate name and address) and 32 (Federal Firearms License Number) were left blank. In addition, question 18 (Type of firearm(s) to be transferred) was left blank on (b)(3) - (1)(2) Public Law occasions and questions

# FIREARMS INSPECTION REPORT

**Name:** Mountain ATV, LLC  
**Trade Name:**

**UI#:** 775025-2016-0056  
**FFL#:** 4-61-095-02-8F-03227

33 (Transferor's/Seller's Name) and 35 (Transferor's/Seller's Title) were left blank on [REDACTED] occasions (see **Section 14; Worksheet 2, A&D Review; and EX 04, Violation 04**).

- Licensee failed to ensure that a valid government issued photo identification was reviewed and appropriately documented on the ATF Form 4473 prior to the transfer of a firearm on [REDACTED] occasions (see **Section 14; Worksheet 2, A&D Review; and EX 05, Violation 05**).
- Licensee failed to record, in section B of the ATF Form 4473, the date on which the licensee contacted the NICS, the response provided by the system, or the identification number provided by the system [REDACTED] occasions see **Section 14; Worksheet 2, A&D Review; and EX 06, Violation 06**).
- Licensee failed to sign and date section D of the ATF Form 4473 on [REDACTED] occasions (see **Section 14; Worksheet 2, A&D Review; and EX 07, Violation 07**).

Mt. ATV did not have any transfers to a non-licensee during the 60 day period of February 20, 2016 to April 20, 2016 (**EX 10, FFL Audit Report**). No NICS Transaction Numbers were verified or confirmed.

## **6 - Multiple Sales**

For the time period of October 16, 2015 to October 16, 2016, Mt. ATV was not associated with any multiple sales transactions (**EX 09, VCAB report**). No unreported multiple sales were discovered during the inspection.

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

There were no suspicious purchasers queried through the E-Trace and NICS/Openfox systems. No derogatory information was found and no referrals were generated regarding the purchasers.

An NCIC/Openfox query was completed on RP Bennett to ensure he was not prohibited from receiving firearms. No prohibiting or derogatory information was found.

## **8 - Trace Activity**

For the time period of October 16, 2015 to October 16, 2016, Mt. ATV was not associated with any trace requests (**EX 09, VCAB report**). No unresolved traces were completed during the inspection. IOI (b)(6) stressed with the licensee the importance of prompt action to trace requests and reiterated the requirement of responding to trace requests within 24 hours.

# FIREARMS INSPECTION REPORT

**Name:** Mountain ATV, LLC  
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**UI#:** 775025-2016-0056  
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## 9 - NFA/Importer/Collector/Manufacturer

Mt. ATV does not deal in NFA weapons, and is not an importer, manufacturer, or collector of firearms.

## 10 - Referrals

No referrals were generated as a result of this inspection.

## 11 - Other

Mt. ATV was in compliance with the Youth Handgun Safety Act notice and poster requirements. RP Bennett stated that secure gun locks are provided with each handgun transferred. A copy of the licensee's FFL was posted in the office area of the facility.

IOI (b)(6) reiterated with RP Bennett the need to complete an Application for an Amended Federal Firearms License if he wishes to move the location of his business. A form was provided to RP Bennett. IOI (b)(6) encouraged RP Bennett to contact the Lexington II ATF office and request a refresher Acknowledgement of Federal Firearms Regulation presentation for all staff prior to opening his doors at his new address.

## 12 - Closing Actions

A closing conference was held on July 07, 2016, at which time ATF Form 5030.5, Report of Violations (ROV), was issued and a review of Federal Firearms Regulations was conducted with Responsible Person and Owner Darby Bennett (**EX A, Acknowledgement**). He was informed that the review was a general overview, and He is responsible to know and comply with all of the laws and regulations pertaining to his firearms business. RP Bennett was provided with a copy of the Acknowledgement of Federal Firearms Regulations for his records.

The following materials were discussed and provided:

- ATF P 3317.2, Safety and Security Information for Federal Firearms Licensees
- ATF P 5300.4, Federal Firearms Regulations Reference Guide
- ATF P 5300.15, Federal Firearms Licensee Quick Reference and Best Practices Guide
- A&D Example Sheet from Best Practice Guide
- ATF Form 4473 Part I, Firearms Transaction Record Part I – Over-the-Counter
- ATF F 3310.4, Report of Multiple Sale or Other Disposition of Pistols and Revolvers
- ATF F 2210.11, Federal Firearms Licensee Firearms Inventory Theft/Loss Report
- ATF Ruling 2013-5, Computerized A&D record keeping requirements
- Open Letter (August 29, 2011), Rural Route Address Information
- Open Letter (July, 7, 2009), Frame or Receiver Information
- NICS Deny/Delay Appeal Postcard (September 2013)
- NICS FFL Quick Reference Guide (January 2014)
- NICS Enrollment Information
- FBI NICS Guide for Appealing a Firearm Transfer DENIAL (December 2010)

# FIREARMS INSPECTION REPORT

**Name:** Mountain ATV, LLC  
**Trade Name:**

**UI#:** 775025-2016-0056  
**FFL#:** 4-61-095-02-8F-03227

- Child Safety Lock Act of 2005
- FFL RBM Check information
- ATF I 5300.23A, Important Notice to Dealers and Other Participants at this Gun Show
- ATF P 5310.2, Do I Need a License to Buy and Sell Firearms?
- ATF I 5300.2, Youth Handgun Safety Act Notice
- ATF I 5300.1, Youth Handgun Safety Act poster
- Important Notice- Selling Firearms After Revocation, Expiration, or Surrender of an FFL
- Changes to Federal Firearms License After Issuance
- ATF Fact Sheet- FFL Compliance Inspections
- ATF P 3312.10, National Tracing Center Division Information for Industry Members
- ATF Firearms Tracing & Identification Poster
- Open Letter (January 2001), Collectors of Curio or Relic Information
- February 2005 Newsletter- Muzzle Loading Firearm Information
- Consignment of Firearms FAQ sheet
- Industry Circular 1972- Identification of Personal Firearms on Licensed Premises Not Offered For Sale
- ATF P 3312.8, Personal Firearms Record
- ATF P 5301.1, Gun Free School Zone Notice
- FFL Newsletter dated November 2009
- ATF F 1370.2, Requisition for Firearms/Explosives
- ATF P 5300.18, Nonimmigrant Aliens Purchasing Firearms and Ammunition in the United States
- ATF I 3310.4, Persons Adjudicated as Mental Defective or Committed to a Mental Institution
- Department of Moore Pamphlet- Misdemeanor Crimes of Domestic Violence.

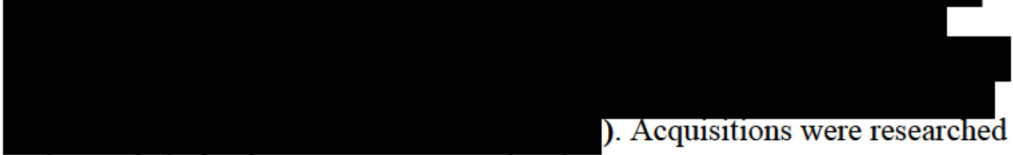

A list of important addresses and phone numbers and a business card were also provided with instructions to call with any questions or concerns.

## 13 - Violations

### 1. **27 CFR 478.125(e)**

#### Nature of Violation

Licensee failed to timely and accurately record the Acquisition and/or Disposition of a firearm in the Acquisition and Disposition Record on a total <sup>(b)(3) - 112 P</sup> occasions.

- Licensee failed to timely and accurately record the Acquisition of a firearm in its bound record on <sup>(b)(3) - 1</sup> occasions <sup>(b)(3) - 112 Public Law 55 125 Stat 552</sup>  
). Acquisitions were researched and recorded after inventory was completed.
- Licensee failed to timely and accurately record the Disposition of a firearm in its bound record on <sup>(b)(3) - 1</sup> occasions <sup>(b)(3) - 112 Public Law 55 125 Stat 552</sup>  


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

These firearms were open entries in the A&D Record that were sold on ATF Forms 4473. Dispositions were reconciled through a review of the forms and corrected entries were made.

- Licensee failed to record disposition information for (b)(3) - 112 Public Law 55 125 Stat 552 firearms

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

The firearms could not be located and were reported on a theft/loss report.

## Licensee Response

Licensee attributed the A&D Errors to oversight and lack of attention to detail by his staff. Several staff members were released from employment prior to inspection and new employees will be fully trained by RP Bennett prior to reopening the store. RP Bennett will complete all record keeping until the store is reopened.

## Corrective Action

After reconciliation and IOI (b)(6) verification, RP Bennett immediately recorded the correct disposition of the firearms. In the future, licensee is to ensure that all acquisitions and dispositions are timely and accurately recorded. On 06/14/15, a Theft/Loss report was completed for the firearms that could not be located. IOI (b)(6) reviewed all of the A&D Requirements with staff members.

## **Reference Worksheet 2, A&D Review and EX 01, Violation 01.**

### 2. **27 CRF 478.99(c)**

**Nature of Violation:** The Licensee failed to ensure the transferee was not a prohibited prior to transferring a firearm on (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) occasion (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

## Licensee Response

Licensee attributed the errors to oversight and lack of attention to detail by his staff. Several staff members were released from employment prior to inspection and new employees will be fully trained by RP Bennett prior to reopening the store. RP Bennett will complete all record keeping until the store is reopened. Licensee will put a double check process into place at the new store to help ensure completeness and accuracy.

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## Corrective Action

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, the Licensee is to immediately stop any transfer in which it is known or there is reasonable cause to believe the transferee is prohibited. The transferee section of the ATF Form 4473 is to be thoroughly reviewed for prohibitive information. IOI (b)(6) completed an NCIC/OpenFox background check on the transferee. No prohibiting factors were found.

## **Reference WS 2, 4473 Review and EX 02, Violation 02.**

### 3. **27 CRF 478.124(c)(1)**

## Nature of Violation

Licensee failed to ensure that Section A of ATF Form 4473 was properly completed prior to transferring a firearm to a non-licensee on (b)(3) - 112 Public Law occasions (b)(3) - 112 Public Law 125 581552.

## Licensee Response

Licensee attributed the errors to oversight and lack of attention to detail by his staff. Several staff members were released from employment prior to inspection and new employees will be fully trained by RP Bennett prior to reopening the store. RP Bennett will complete all record keeping until the store is reopened. Licensee will put a double check process into place at the new store to help ensure completeness and accuracy.

## Corrective Action

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, the Licensee is to immediately stop any transfer in which it is known or there is reasonable cause to believe the transferee is prohibited. The transferee section of the ATF Form 4473 is to be thoroughly reviewed for prohibitive information. IOI (b)(6) completed an NCIC/OpenFox background check for all blank prohibiting questions. No prohibiting factors were found.

## **Reference Worksheet 2, A&D Review and EX 03, Violation 03.**

### 4. **27 CFR 478.21(a)**

## Nature of Violation

Licensee failed to properly complete ATF Form 4473 according to the form's headings and instructions on at least (b)(3) occasions. On all completed ATF Forms 4473, Questions 31 (Trade/Corporate name and address) and 32 (Federal Firearms License Number) were left blank. In addition, question 18 (Type of firearm(s) to be transferred) was left

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blank on seven (7) occasions and questions 33 (Transferor's/Seller's Name) and 35 (Transferor's/Seller's Title) were left blank on [REDACTED] occasions. See ROV Attachment 01 for full information.

### Licensee Response

Licensee attributed the errors to oversight and lack of attention to detail by his staff. Several staff members were released from employment prior to inspection and new employees will be fully trained by RP Bennett prior to reopening the store. RP Bennett will complete all record keeping until the store is reopened. Licensee will put a double check process into place at the new store to help ensure completeness and accuracy.

### Corrective Action

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, Licensee is to ensure that all ATF Form 4473 headings and instructions are followed and each form is fully completed.

**Reference Worksheet 2, A&D Review and EX 04, Violation 04.**

5. **27 CFR 478.124(c)(3)(i)**

Licensee failed to ensure that a valid government issued photo identification was reviewed and appropriately documented on the ATF Form 4473 prior to the transfer of a firearm on [REDACTED] occasions (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

### Licensee Response

Licensee attributed the errors to oversight and lack of attention to detail by his staff. Several staff members were released from employment prior to inspection and new employees will be fully trained by RP Bennett prior to reopening the store. RP Bennett will complete all record keeping until the store is reopened. Licensee will put a double check process into place at the new store to help ensure completeness and accuracy.

### Corrective Action

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, the Licensee is to ensure that all required NICS information is obtained and recorded.

**Reference Worksheet 2, A&D Review and EX 05, Violation 05.**

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6. **27 CFR 478.124(c)(3)(iv)**

**Nature of Violation**

Licensee failed to record, in section B of the ATF Form 4473, the date on which the licensee contacted the NICS, the response provided by the system, or the identification number provided by the system (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) occasions (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)



**Licensee Response**

Licensee attributed the errors to oversight and lack of attention to detail by his staff. Several staff members were released from employment prior to inspection and new employees will be fully trained by RP Bennett prior to reopening the store. RP Bennett will complete all record keeping until the store is reopened. Licensee will put a double check process into place at the new store to help ensure completeness and accuracy.

**Corrective Action**

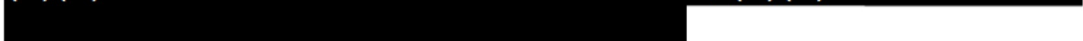
IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. In the future, the Licensee is to ensure that all required NICS information is obtained and recorded.

**Reference Worksheet 2, A&D Review and EX 06, Violation 06.**

7. **27 CFR 478.124(c)(5)**

**Nature of Violation**

Licensee failed to sign and date section D of the ATF Form 4473 on (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) occasions (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)



**Licensee Response**

Licensee attributed the errors to oversight and lack of attention to detail by his staff. Several staff members were released from employment prior to inspection and new employees will be fully trained by RP Bennett prior to reopening the store. RP Bennett will complete all record keeping until the store is reopened. Licensee will put a double check process into place at the new store to help ensure completeness and accuracy.

**Corrective Action**

IOI (b)(6) reiterated all ATF Form 4473 requirements with the Licensee. Licensee researched and confirmed each date of transfer. Licensee is to make a copy of the ATF

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Form 4473, complete the corrections on the form copy, and affix the corrected form to the original form. In the future, Licensee is to ensure forms are completed fully and accurately. All completed corrections were verified by IOI (b)(6)

**Reference Worksheet 2, A&D Review and EX 07, Violation 07.**

X

(b)(6)

Investigator

# FIREARMS INSPECTION REPORT

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### **EX A: Signed Acknowledgement of Federal Firearms Regulations**

#### **EX 01: Violation 01**

- 1.1: Added Acquisitions Corrected A&D
- 1.2: Corrected A&D Record
- 1.3: Theft/ Loss report filed 6/14/16

**EX 02: Violation 02-** (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

**EX 03: Violation 03-** (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

**EX 04: Violation 04-** (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

**EX 05: Violation 05-** (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

**EX 06: Violation 06-** (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

**EX 07: Violation 07-** (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

**EX 08: Report of Violations (ROV)**

**EX 09: VCAB Reports**

**EX 10: FFL Audit Report**

**EX 11: Secretary of State Corporate Report**