

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Chandler, Norman A. Iron Brigade Armory 100 Radcliffe Circle Jacksonville, NC 28546, ONSLOW		2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 763050-2017-0096-B1B	
		3. PERMIT/LICENSE NUMBER 156133076M39696	4a. TARGET DATE 1/31/2017
		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, 10/31/2016			
8. PURPOSE/SPECIAL INSTRUCTIONS Conduct a full-scope compliance inspection. Ensure compliance with recordkeeping, reporting, and marking.			
9. INSPECTION RESULTS <input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC			
NO. OF VIOLATIONS	1	NO. OF REFERRALS	
NO. OF TECS CHECKS	11	NO. OF TECS HITS	
NO. OF TAX ADJUSTMENTS		\$ VALUE OF TAX INCREASES	
		\$ VALUE OF TAX DECREASES	
NO. OF ASSESSMENTS		\$ VALUE OF ASSESSMENTS	
NO. OF CLAIMS		\$ VALUE OF CLAIMS	
NO. OF TAX PERIODS		\$ VALUE OF TAXES VERIFIED	
		2111 - PER DIEM	
		2112 - P.O.A.	
		2113 - COMM. AIR	
		2114 - RENTAL CAR	
		2115 - GPV EXPENSES	
		2116 - MISC.	
		TOTAL \$ FOR INSP.	
11. ATF OFFICER'S RECOMMENDATION Submitted by (b)(6) - Industry Operations Investigator Submitted on: 12/09/2016 According to the Administrative Action Policy, based on the percentages of untimely acquisitions the recommendation would fall under a Warning Conference. However, it is believed that the untimely acquisitions are actually the licensee's firearms; however, the licensee does not remember when he acquired them or if they were business firearms. The licensee son does believe that they are his father's personal firearms, but is going to try to verify through other business records. No documentation was provided at the time of this report and the citation of the violations to determine that these were in fact the FFL's personal firearms. In addition, (b)(6) to attend a Warning Conference. IOI (b)(6) stressed the seriousness of the violations with Mr. Chandler III so that he could reiterate this to his father. Viols WL ONLY and No Recall Inspection			
12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b)(6)	
NOV 2016		45.00	
ATF OFFICER'S SUBTOTAL		45.00	ATF OFFICER'S SIGNATURE
TOTAL HOURS		45.00	
13. REVIEW AND ROUTING			
REVIEW COMMENTS AND RECOMMENDATION Viols WL ONLY and No Recall Inspection			
<input checked="" type="checkbox"/> REVIEWED <input checked="" type="checkbox"/> CONCUR <input type="checkbox"/> SEE COMMENTS <input type="checkbox"/> FINAL DISPOSITION			
SIGNATURE AND TITLE (b)(6) - Area Supervisor		REVIEW DATE 12/23/2016	

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13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

Based on the nature of the circumstances and the FFL's business the DIO concurs with the alternate recommendation for a warning letter.

Viols WL ONLY and No Recall Inspection

☒ REVIEWED

☒ CONCUR

☐ SEE COMMENTS

☒ FINAL DISPOSITION

SIGNATURE AND TITLE

SBALBRO - Director of Industry Operations

REVIEW DATE

01/20/2017

ROUTING SEQUENCE AND DATE

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

CONTROL FILE POSTED DATE January 20, 2017

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 Chandler, Norman A. Iron Brigade Armory/IBA	Street Address 100 Radcliffe Circle	City Jacksonville	State NC	Zip Code 28546-	County ONslow	Page 1 of 1 Pages
License/Permit/Registry Number (If any) 156133076M39696		Expiration Date 12/1/2016	Date(s) or Period of Inspection 11/07/2016 through 12/08/2016			

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:

Failure by the licensee, in (b)(3) 1 instances, to record the acquisition and/or disposition information in a correct and timely manner in the licensee's Acquisition & Disposition (A&D) record. There were (b)(3) 112 instances of the disposition not recorded and (b)(3) 112 instances in which acquisitions were also not recorded. See Attachment 1 - Inventory Worksheet for details.

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

IOI (b)(6) had the licensee enter all firearms into his A&D book and complete the appropriate disposition information. The licensee should log all firearms into and out of the Acquisition and Disposition book immediately and utilize a system of checks to verify all entries are completed correctly. It is believed that the untimely acquisitions are actually the licensee's firearms; however, the licensee does not remember when he acquired them or if they were business firearms. The licensee son does believe that they are his father's personal firearms, but is going to try to verify through other business records.

Citation: 27 CFR 478.123(a)

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

Norman A. Chandler *II*

Date

12/1/16

Signature and Title of ATF Officer

(b)(6)

Date

12/1/16



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives
1801 Stanley Road, Suite 300
Greensboro, NC 27407

January 23, 2017

www.atf.gov

763050 (b)(6)
5373

WARNING LETTER

CERTIFIED RETURN RECEIPT REQUESTED

Mr. Norma A. Chandler
Iron Brigade Armory/IBA
100 Radcliffe Circle
Jacksonville, NC 28546

RE: 1-56-133-07-6M-39696

Dear Mr. Chandler:

During a recent inspection of your firearms business, covering the period November 7, 2015 through November 6, 2016, you were cited for violations of Title 27, Code of Federal Regulations, Part 478. A copy of the Report of Violations, ATF F 5030.5, issued at the time of the inspection is enclosed.

All violations were fully explained to you by Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Industry Operations Investigators (b)(6). You indicated that you understood the requirements of the firearms laws and regulations and that corrective action would be taken to eliminate future violations.

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

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

Mr. Norma A. Chandler
Iron Brigade Armory/IBA

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

Sincerely yours,

(b)(6)

Area Supervisor

Enclosure

c: Federal Firearms Licensing Center

FIREARMS INSPECTION REPORT

Name: Chandler, Norman A.
Trade Name: Iron Brigade Armory/IBA

UI#: 763050-2017-0096-B1B
FFL#: 1-56-133-07-6M-39696

Address: 100 Radcliffe Circle
Jacksonville, NC 28546 (ONSLOW)

Phone: (910) 455-3834; Cell (b)(6)

Email: (b)(6)

Hours: By APPT

GPS: N 34.77743, W. 077.38655

1 - Introduction

Inspection Profile:

On 10/31/16, Industry Operations Investigator (b)(6) received an assignment to conduct a compliance inspection of for Chandler A. Chandler, dba Iron Brigade Armory located at the above address. Responsible Person Norman A. Chandler, II was present during the course of the inspection (NCDL - (b)(6)). Also present was (b)(6) (NCDL - (b)(6)).

Advanced notice was given due to the licensee's hours are listed in the Federal Licensing System (FLS) as by appointment only. The scope of the inspection was from 11/7/15 to 11/6/16. The period of inspection was 11/7/16 – 12/9/16.

IOI (b)(6) began the inspection on 11/7/16, but due to (b)(6) the inspection was postponed until 11/29/16 with the assistance of the licensee's (b)(6)(b)(6).

Business Profile:

Mr. Chandler is a firearms manufacturer and builds custom firearms, primarily sniper rifles. The majority of the business is devoted to gunsmithing/manufacturing. The business also conducts very limited retail sales. Firearms are acquired from individuals, licensees, and other manufacturers.

Review of the licensee's acquisition and disposition (A&D) records disclosed the licensee acquired (b)(4) firearms and disposed of approximately (b)(4) firearms within the inspection period.

This licensee does not conduct business at gun shows or via internet. A review of

FIREARMS INSPECTION REPORT

Name: Chandler, Norman A.
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FFL#: 1-56-133-07-6M-39696

the area office file for this licensee disclosed the business premises are properly zoned for FFL activities. The licensee's primary wholesale supplier is (b)(4). There is no additional activity conducted at the business premises or by Mr. Chandler. There is no off-site storage.

Ownership and Control:

Norman A. Chandler II is a sole proprietor and is the only Responsible Person listed on the Federal Firearms License. There are no changes needed to FLS.

(b)(6) will be added as an RP in the near future.

On 11/3/16, IOI (b)(6) conducted queries in the Federal Licensing System (FLS), CJLEADS, and Open Fox (NCIC), on Mr. Chandler. Mr. Chandler is associated with two inactive Type 07 FFLs: (FFL #1-56-38931 and FFL# 1-56-03710). There were no additional findings to report. There is no hidden ownership suspected.

Variance:

There are no variances, and none were requested as a result of this inspection.

2 - Recommendation

Alternate Recommendation: Violations, Warning Letter Only, No Recall

According to the Administrative Action Policy, based on the percentages of untimely acquisitions the recommendation would fall under a Warning Conference. However, it is believed that the untimely acquisitions are actually the licensee's firearms; however, the licensee does not remember when he acquired them or if they were business firearms. The licensee's son does believe that they are his father's personal firearms, but is going to try to verify through other business records. No documentation was provided at the time of this report and the citation of the violations to determine that these were in fact the FFL's personal firearms.

In addition, due to Mr. Chandler's reaction and appearance in a frustrated state it would not be beneficial for his health to attend a Warning Conference. IOI (b)(6) stressed the seriousness of the violations with (b)(6) so that he could reiterate this to his father.

3 - Inspection History

Date and Type of Inspection: 10/31/12; Compliance Inspection

UI#: 763050-2012-0391

Inspection Result: No Violations, No Further Action, No Referrals

FIREARMS INSPECTION REPORT

Name: Chandler, Norman A.
Trade Name: Iron Brigade Armory/IBA

UI#: 763050-2017-0096-B1B
FFL#: 1-56-133-07-6M-39696

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

The licensee stated that he has not conducted an inventory in quite some time due to (b)(6). The licensee stated that when a firearm is acquired a folder is created to track the progress of the firearm throughout the store during the gunsmithing/manufacturing process. This also allows the firearm information to be entered immediately into the A&D record. Mr. Chandler stated the disposition information is entered into the A&D once the customer's firearm is transferred. He is solely responsible for maintaining his records. A receipt containing the firearm information is also created by and provided to the customer.

There were 183 firearms in inventory and (b)(6) open entries were located in the A&D book resulting in (b)(6) instances of untimely acquisitions and/or dispositions. (*See Violation #1; Attachment #1 – Worksheets; Exhibit #1 – A&D photographs*). Mr. Chandler has acquired (b)(6) firearms and disposed of approximately (b)(6) firearms during the inspection period. Mr. Chandler has no separation of his personal firearms and business firearms. No trafficking issues are suspected.

5 - ATF Forms 4473 – NICS & Other Dispositions

The licensee maintains ATF F 4473s filed by date of sale. Mr. Chandler described the proper way to process ATF F 4473s. Only government issued IDs are accepted as proof of identification. Information is not documented on the ATF F 4473 prior to the firearm's sale.

The vast majority of transfers occur with other FFLs. The licensee does conduct military and law enforcement sales. IOI (b)(6) reviewed the proper method to conduct military sales and law enforcement transfers. There is not a system in place to prevent additional firearms from being added to the ATF F 4473. Mr. Chandler requires NC Concealed Carry permits and NC Handgun Purchase permits as background checks. The store as a policy does not conduct NICS checks. This was confirmed with no entries in the FFL audit log.

For the scope of the ATF F 4473 review, 11/7/15 to 11/6/16, there were four forms on file. A 100% review of the forms was conducted. There were no errors located during the review.

6 – Multiple Sales

The licensee does not have a formal system in place to ensure multiple handgun sales are reported timely. There were no unreported MHS during the inspection period.

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7 – Suspicious/Prohibited Purchasers

No suspicious or prohibited purchasers were identified.

8 – Trace Activity

An analysis of the information provided determined that there were no traces associated with this dealer for the past 12 months. There was ^{(b)(3) PUC} unresolved trace for the period requested and none perfected during the inspection. (b)(6) provided documentation that was sent to NTC stating that this firearm was never received (Exhibit #2 – Trace document). A secondary market analysis of nine firearms revealed no results.

9 – NFA/Importer/Collector/Manufacturer

The licensee does not operate as an importer or a collector.

The NFATR revealed that there were no discrepancies to the NFATR and the licensee's A&D records.

Mr. Chandler is also licensed as a manufacturer. On 11/1/16, Program Analyst (b)(6) supplied the Annual Firearms Manufacturing Reports for 2012 to 2014 and 2016, but did not have a report on file for 2015. At the time of inspection, (b)(6) stated that he would submit the 2015 Annual Firearms Manufacturing Report.

10 – Referrals

No referrals were generated as a result of this inspection.

11 – Other

(b)(6), (b)(7)(C)

In addition, it must be noted that (b)(6) Throughout the inspection, (b)(6) handled the location of the firearms and paperwork. Mr.

FIREARMS INSPECTION REPORT

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Chandler II attempted to assist when he could; (b)(6)

(b)(6)

Mr. Chandler II stated that he does want (b)(6) to take over the business. IOI (b)(6) stated the (b)(6) would need to obtain a new FFL. IOI (b)(6) also discussed the proper method to conduct a commencing inventory to the new FFL. The process of shipping all the records to the OOB was discussed thoroughly.

Mr. Chandler II stated that he would not conduct any additional business at this time, and would only (b)(6) with firearm cleaning once his FFL has been issued. (b)(6) stated that he attends on applying during the first quarter of 2017. He stated that he needs to discuss the transfer of assets with an accountant first.

The licensee was in compliance; however, IOI (b)(6) reemphasized the importance to maintain compliance with the Youth Handgun Safety Act (poster and pamphlet), Child Safety Lock Act, NC General Statue 14-315 (poster and written notification), and the Secure Gun Storage and Safety Device Act.

12 - Closing Actions

On 12/9/16, IOI (b)(6) executed the closing conference. A full review of ATF laws and regulations were discussed per the Acknowledgement of Federal Firearms Regulations Form. Mr. Chandler certified receipt by signing the Report of Violations and the Acknowledgement of Federal Firearms Regulations Form (Exhibit #3 – AFFRF).

13 - Violations

1. 27 CFR 478.123(a)

Nature of Violation:

Failure by the licensee, in (b)(3) instances, to record the acquisition and/or disposition information in a correct and timely manner in the licensee's Acquisition & Disposition (A&D) record. There were (b)(3) Pub L 107 instances of the disposition not recorded and seven instances in which acquisitions were also not recorded. See Attachment 1 – Inventory Worksheet for details.

FIREARMS INSPECTION REPORT

Name: Chandler, Norman A.
Trade Name: Iron Brigade Armory/IBA

UI#: 763050-2017-0096-B1B
FFL#: 1-56-133-07-6M-39696

Licensee Response:

The licensee stated that these inventory violations were a result of his failing memory and not logging firearms in immediately. The licensee's son stated that he will now begin to take over the business operations.

Corrective Action:

IOI (b)(6) had the licensee enter all firearms into his A&D book and complete the appropriate disposition information. The licensee should log all firearms into and out of the Acquisition and Disposition book immediately and utilize a system of checks to verify all entries are completed correctly. It is believed that the untimely acquisitions are actually the licensee's firearms; however, the licensee does not remember when he acquired them or if they were business firearms. The licensee son does believe that they are his father's personal firearms, but is going to try to verify through other business records.

X

Industry Operations Investigator

Index of Worksheets and Exhibits

Report of Violations

Attachment #1 – A&D and ATF 4473 Worksheets

Exhibit #1 – A&D Photos

Exhibit #2 – Trace documents

Exhibit #3 – AFFRF