

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Wallace & Wallace, Inc. Adventure Outdoors WON, LLC 2500 South Cobb Drive Smyrna, GA 30080, Cobb		2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 760560-2017-0107-B1B																																																		
		3. PERMIT/LICENSE NUMBER 158067017L07486	4a. TARGET DATE 7/30/2017	4b. TARGET HOURS																																																
		5. REQUESTED BY (SIGNATURE, TITLE AND DATE)																																																		
6. ATF OFFICER(S) ASSIGNED (b)(6) - Assigned Investigator (b)(6) - Lead Investigator (b)(6) - Assigned Investigator (b)(6) - Assigned Investigator (b)(6) - Assigned Investigator (b)(6) - Assigned Investigator (b)(6) - Assigned Investigator																																																				
7. ASSIGNED BY (SIGNATURE, TITLE AND DATE) (b)(6), Area Supervisor, 02/06/2017																																																				
8. PURPOSE/SPECIAL INSTRUCTIONS Perform a DE inspection. Determine compliance with Federal firearms laws and regulations. Verify compliance with applicable State, County and local laws, including compliance with zoning and license requirements. Verify identity of persons interviewed, and review FLS report with licensee for completeness and accuracy. Complete 100% inventory of firearms. Obtain GPS coordinates for the licensed premises. For Importers, verify any approved Form 6's with the A & D records.																																																				
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td colspan="2" style="padding: 2px;">9. INSPECTION RESULTS</td><td colspan="2" style="padding: 2px;"><input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC</td><td colspan="2" style="padding: 2px;">10. TRAVEL EXPENSES (OPTIONAL)</td></tr><tr><td style="padding: 2px;">NO. OF VIOLATIONS</td><td style="padding: 2px;">3</td><td style="padding: 2px;">NO. OF REFERRALS</td><td style="padding: 2px;">2</td><td style="padding: 2px;">2111 - PER DIEM</td><td style="padding: 2px;"></td></tr><tr><td style="padding: 2px;">NO. OF TECS CHECKS</td><td style="padding: 2px;">220</td><td style="padding: 2px;">NO. OF TECS HITS</td><td style="padding: 2px;"></td><td style="padding: 2px;">2112 - P.O.A.</td><td style="padding: 2px;"></td></tr><tr><td style="padding: 2px;">NO. OF TAX ADJUSTMENTS</td><td style="padding: 2px;"></td><td style="padding: 2px;">\$ VALUE OF TAX INCREASES</td><td style="padding: 2px;"></td><td style="padding: 2px;">2113 - COMM. AIR</td><td style="padding: 2px;"></td></tr><tr><td style="padding: 2px;"></td><td style="padding: 2px;"></td><td style="padding: 2px;">\$ VALUE OF TAX DECREASES</td><td style="padding: 2px;"></td><td style="padding: 2px;">2114 - RENTAL CAR</td><td style="padding: 2px;"></td></tr><tr><td style="padding: 2px;">NO. OF ASSESSMENTS</td><td style="padding: 2px;"></td><td style="padding: 2px;">\$ VALUE OF ASSESSMENTS</td><td style="padding: 2px;"></td><td style="padding: 2px;">2115 - GPV EXPENSES</td><td style="padding: 2px;"></td></tr><tr><td style="padding: 2px;">NO. OF CLAIMS</td><td style="padding: 2px;"></td><td style="padding: 2px;">\$ VALUE OF CLAIMS</td><td style="padding: 2px;"></td><td style="padding: 2px;">2116 - MISC.</td><td style="padding: 2px;"></td></tr><tr><td style="padding: 2px;">NO. OF TAX PERIODS</td><td style="padding: 2px;"></td><td style="padding: 2px;">\$ VALUE OF TAXES VERIFIED</td><td style="padding: 2px;"></td><td style="padding: 2px;">TOTAL \$ FOR INSP.</td><td style="padding: 2px;"></td></tr></table>					9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)		NO. OF VIOLATIONS	3	NO. OF REFERRALS	2	2111 - PER DIEM		NO. OF TECS CHECKS	220	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.	
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11. ATF OFFICER'S RECOMMENDATION Submitted by (b)(6) - Industry Operations Investigator Submitted on: 05/18/2017 Update FLS: 1. Remove (b)(6) as a responsible person. 2. Update Eric Wallace's residence address to: (b)(6) Violts WL ONLY and No Recall Inspection																																																				
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ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b)(6)																																																				
APR 2017 18.00																																																				
ATF OFFICER'S SUBTOTAL 18.00																																																				
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APR 2017 72.00																																																				
MAY 2017 49.00																																																				
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Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Wallace & Wallace, Inc. Adventure Outdoors WON, LLC 2500 South Cobb Drive Smyrna, GA 30080, Cobb	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 760560-2017-0107-B1B		
	3. PERMIT/LICENSE NUMBER 158067017L07486	4a. TARGET DATE 7/30/2017	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

12. TIME ACCOUNTING DATA

ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
APR 2017	35.00
ATF OFFICER'S SUBTOTAL	43.00
ATF OFFICER'S SIGNATURE	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
APR 2017	72.00
ATF OFFICER'S SUBTOTAL	72.00
ATF OFFICER'S SIGNATURE	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
APR 2017	45.00
ATF OFFICER'S SUBTOTAL	45.00
ATF OFFICER'S SIGNATURE	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
APR 2017	40.00
ATF OFFICER'S SUBTOTAL	40.00
ATF OFFICER'S SIGNATURE	
TOTAL HOURS	339.00

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION
Viols WL ONLY and No Recall Inspection

☒ REVIEWED

☒ CONCUR

☐ SEE COMMENTS

☒ FINAL DISPOSITION

SIGNATURE AND TITLE (b)(6) - Area Supervisor	(b)(6) 2017.06.02 10:56:16 -04'00'	REVIEW DATE 06/01/2017
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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 Wallace & Wallace, Inc. Adventure Outdoor Won, LLC	Street Address 2500 South Cobb Drive	City Smyrna	State GA	Zip Code 30080-	County Cobb	Page 1 of 3 Pages
License/Permit/Registry Number (If any) 158067017L07486		Expiration Date 11/1/2017		Date(s) or Period of Inspection 04/17/2017 through 05/03/2017		

Inspection Results

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

Number: 1

Nature of Violation:

Failure to obtain a complete and accurate ATF Form 4473 from the transferee prior to the transfer of a firearm with the certification by the transferee that they are not prohibited by the Act from transporting, shipping, receiving or possessing a firearm in interstate or foreign commerce or (b)(3) 112 Public Law 55 125 STAT 552 (b)(6) forms in that:

- In item 2 on (b)(3) 112 Public Law 55 125 STAT 552 (b)(6) forms, the transferee did not provide either their correct County of residence or their correct State of residence. Examples: (b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

(b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

- In item 11d on (b)(3) 112 Public Law 55 125 STAT 552 (b)(6) forms, the transferee left the answer to the question "Are you a fugitive from justice?" blank. Examples: (b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

(b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

- In item 11i on (b)(3) 112 Public Law 55 125 STAT 552 (b)(6) form, the transferee left the answer to the question "Have you ever been convicted in any court of a misdemeanor crime of domestic violence?" blank. Example: (b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

(b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

- In item 12a on (b)(3) 112 Public Law 55 125 STAT 552 (b)(6) forms, the transferee did not provide their Country of Citizenship. Examples: (b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

(b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

- In item 12b on (b)(3) 112 Public Law 55 125 STAT 552 (b)(6) form, the transferee left the answer to the question "Have you ever renounced your United States citizenship?" blank. Example: (b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

- In item 12d.1 on (b)(3) 112 Public Law 55 125 STAT 552 (b)(6) forms, the transferee left the answer to the question "Are you an alien who has been admitted to the United States under a nonimmigrant visa?" blank. Examples: (b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

(b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Prior to making a transfer of a firearm to a non-licensee, obtain a complete and accurate ATF Form 4473. If the transferee does not answer the certification questions, stop the transfer process until all questions are answered properly. Review all ATF Form 4473s prior to completing the transaction. If any mistakes are noted prior to the transfer of the firearm, have the transferee correct the mistake and initial and date the change made. If mistakes are found after the transfer of the firearm, make a copy of the ATF Form 4473 and have the transferee and/or transferor correct the mistakes and initial and date any changes made.

Report of Violations

Instructions

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Name of Proprietor Wallace & Wallace, Inc. Adventure Outdoor Won, LLC	Street Address 2500 South Cobb Drive	City Smyrna	State GA	Zip Code 30080-	County Cobb	Page 2 of 3 Pages
License/Permit/Registry Number (If any) 1580670171.07486	Expiration Date 11/1/2017	Date(s) or Period of Inspection 04/17/2017 through 05/03/2017				

Inspection Results

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

Citation: 27 CFR 478.124(c)(1)

Number: 2

Nature of Violation:

Failure to obtain all of the information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to the form on Form in that, in item 11a, the transferee answered "no" to the question "Are you the actual buyer of the firearm(s) listed on this form?" Example: (b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Obtain all of the information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to the form. If the customer indicates that they are not the transferee/buyer of the firearm, do not continue with the transaction. Review the completed ATF Form 4473 prior to the transfer of any firearms. If any mistakes are noted prior to the transfer of the firearm, have the transferee correct the mistake and initial and date the change made. If mistakes are found after the transfer of the firearm, make a copy of the ATF Form 4473 and have the transferee and/or transferor correct the mistakes and initial and date any changes made.

Citation: 27 CFR 478.21(a)

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 Wallace & Wallace, Inc. Adventure Outdoor Won, LLC	Street Address 2500 South Cobb Drive	City Smyrna	State GA	Zip Code 30080-	County Cobb	Page 3 of 3 Pages
License/Permit/Registry Number (If any) 158067017L07486	Expiration Date 11/1/2017	Date(s) or Period of Inspection 04/17/2017 through 05/03/2017				

Inspection Results

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

Number: 3

Nature of Violation:

Failure to conduct a NICS background check except as provided in 27 CFR 478.102(d) by accepting an expired carry permit as an exemption to the background check on ^{(b)(3)} 11/ occasion.
Example: (b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

A licensed dealer shall not sell, deliver or transfer a firearm to any other person who is not licensed under 27 CFR 478 unless the licensee contacts NICS to conduct a background check and either receives a proceed response or allows three business days, not including the day the licensee contacts NICS, to elapse and NICS has not notified the licensee that the receipt of the firearm by the transferee would be in violation of the law or if the transferee has presented to the licensee a valid permit that issued not more than 5 years earlier by the State in which the transfer is to take place.

Citation: 27 CFR 478.102(a)

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

Jim Wallace

manager

Date
5/3/2017

Signature and Title of ATF Officer

(b)(6)

10 Investigator

Date
5/3/17



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Atlanta, Georgia 30345

www.atf.gov

760560:LMR (b)(6)
5373

June 2, 2017

Mr. Eric Wallace
Wallace & Wallace, Inc. d/b/a Adventure Outdoors WON, LLC
630 B Windy Hill Road
Smyrna, Georgia 30080

1-58-067-01-7L-07486

Dear Mr. Wallace:

During a recent compliance inspection at your firearms business covering the period April 17, 2016 to April 16, 2017, you were cited for violations of 27 Code of Federal Regulations, Part 478. A copy of the Report of Violations, Form 5030.5, issued at the time of the inspection is enclosed.

All violations were fully explained to you by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Investigator. 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

Mr. Eric Wallace
Wallace & Wallace, Inc. d/b/a Adventure Outdoors WON, LLC

willful and may result in the revocation of your license. Please ensure that future compliance is achieved.

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

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

Sincerely yours,

(b)(6)

(b)(6)

Area Supervisor, Atlanta VIII (IO)

Enclosure

c: DIO, Atlanta Field Division
Federal Firearms Licensing Center

Address: 2500 South Cobb Drive
Smyrna, Georgia 30080 (Cobb County)

1 - Introduction

Inspection Profile:

On April 17-21, 24-28 and May 3, 2017, Industry Operations Investigator (IOI) (b)(6) conducted a full firearms Disposition Emphasis compliance inspection at the above listed premises. Assisting with the inspection were Area Supervisor (b)(6) and IOIs (b)(6). (b)(6). Mr. Eric Wallace, Manager, was present for the entire inspection. Mr. Eric Wallace was identified by Georgia Driver's License number (b)(6), which expires July 15, 2020. Mr. Jay Wallace, President, was present for part of the inspection. The period of the inspection was from April 17, 2016 through April 16, 2017. Advance notification of the inspection was not given to the licensee per current Bureau policy. The Atlanta Group VIII Area Supervisor provided advance notification of the inspection via email to the Atlanta Field Division Special Agent Group Supervisors. No information concerning ongoing criminal investigations was provided to IO Investigator (b)(6) from the Atlanta Field Division Special Agent Group Supervisors. IO Investigator (b)(6) queried the Federal Licensing System (FLS) for Special Attention Flags (SAF) and queried N-Force to determine if the inspection would compromise any ongoing investigation of the licensee. No derogatory information was disclosed.

Business Profile:

Wallace & Wallace, Inc. d/b/a Adventure Outdoors WON, LLC operates a retail firearms store and gun range at the premises. They sell new and used firearms, firearms accessories, firearms safes and other general merchandise. They also provide light gunsmithing services. The premises is a commercial building that used to be a grocery store located in suburban Smyrna, Georgia.

The licensee acquired approximately (b)(4) firearms (approximately (b)(4) handguns, (b)(4) long guns, (b)(4) receivers and (b)(4) weapons) in the previous twelve months. The licensee disposed of approximately (b)(4) firearms (approximately (b)(4) handguns, (b)(4) long guns and (b)(4) receivers) in the previous twelve months. The licensee transfers all firearms at retail. The licensee's primary suppliers are: (b)(4). The licensee does not make sales at gun shows. The licensee does not make sales over the internet, but they do accept internet transfers for customers. The licensee does have a website for advertising purposes, www.adventureoutdoors.us.

The licensee has two other FFLs:

1. Wallace & Wallace, Inc. d/b/a Smyrna Pawn Brokers, 1-58-07494
2. Wallace & Wallace, Inc. d/b/a Paulding Pawn N Shop, 1-58-12548

The responsible persons on this license are also responsible persons on the FFL for Smyrna Police Distributors d/b/a S P D, 1-58-07485.

The licensee has a Special Occupational Tax Stamp, Number (b)(3) - 26 USC 6103 which expires June 30, 2017. The licensee has a City of Smyrna Occupational Tax Certificate, number 1197, which expires December 31, 2017. There are no zoning restrictions concerning the sale of firearms from commercial property in Smyrna, Georgia. The licensee has held the license for six years. There is no off-site storage of firearms.

Ownership and Control:

The license is held by a corporation doing business as a limited liability company. Wallace & Wallace, Inc. is a corporation registered in the State of Georgia on June 30, 1978, control number H806651. Adventure Outdoors WON, LLC is a limited liability company registered in the State of Georgia on August 24, 2011, control number 11064053. Both entities are in good standing with the State of Georgia. Hidden ownership is not suspected. The responsible people are not correctly shown. Mr. Eric Wallace requested that (b)(6) be removed as a responsible person from the FLS database, as he no longer works for the company. Mr. Eric Wallace has moved residences and requested that his residence address be updated in FLS. Reference Exhibit 6.

Variance:

The licensee does not have a variance with ATF. No variance was requested during the inspection.

2 - Recommendation

Violations. WL Only and No Recall Inspection.

Update FLS:

1. Remove (b)(6) Roberts as a responsible person.
2. Update Eric Wallace's residence address to: (b)(6)

3 - Inspection History

This is the first compliance inspection conducted on this license.

Date of Inspection:	September 29, 2011
Type of Inspection:	Qualification new onsite
UI#:	771060-2011-0319-B1B
Inspection Results:	Approve Original
Cited Violations:	None

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

On April 17-21 and 24, 2017, IOIs conducted a full physical inventory at the premises. There were 15,266 firearms found in the physical inventory, inclusive of 62 NFA weapons. There were [REDACTED] open entries in the A&D Record. The firearms found in the physical inventory were compared to the open entries in the A&D Record. No discrepancies were found.

The licensee submitted four theft or loss reports during the inspection period. No theft or loss report was required to be submitted as a result of this inspection. The A&D Record is in the proper format and all the required information is accurate. The acquisition and disposition entries are timely made. Fifty firearms were traced through the licensee's required records from acquisition through disposition with no discrepancies found. No trafficking issues relating to acquisition and disposition of firearms were found. No obliterated serial numbers or illegal firearms were found.

New firearms are delivered to a receiving area in the rear of the store. The information on the firearm is compared to the order that was placed and to the invoice received with the shipment. If the firearm was not ordered from the vendor, the firearm is recorded in the computerized A&D Record, but is kept in the receiving area until it can be returned to the vendor and logged out of the A&D Record as required. Mr. Eric Wallace stated that some vendors will ship firearms that were not ordered "in the hopes that we will keep them to sell, but that the guns are always returned." If the firearm was ordered from the vendor, the firearm is recorded in the A&D Record. At that time, a tag is created with the firearm's information on it and is attached to the gun itself. Two bar code stickers are generated; one is attached to the gun tag and one is attached to the box. Used firearms are also brought to the receiving area in the rear of the store. The receiving clerk records the information from the gun in to the A&D Record and follows the same process for creating a gun tag and bar codes for the firearm.

After being logged in to the A&D Record and tagged, the firearms are moved from the receiving area to the inventory stock area also located in the rear of the store. The firearms are stored by type and manufacturer. When a customer chooses a firearm to purchase, the sales person alerts the employee working in the inventory stock area as to

the make and model to be purchased. A firearm of that make and model is pulled from the inventory stock and is transported by another employee (called a “gunner”) to the gun counter where the customer located. The customer completes the ATF Form 4473 and is then escorted to the cash register, where the licensee’s point of sale system logs the firearm out of the A&D Record as required. The licensee stated that they conduct an inventory at least once per year.

5 - ATF Forms 4473 – NICS & Other Dispositions

There were approximately (b)(3) - 112 Public Law 55 125 Stat 552 forms on file for the previous twelve months. On April 17, 2017, DIO Diana Mitchell and DAD Graham approved via email a sampling of the review of forms. A sampling of (b)(3) - 112 Public Law 55 125 Stat 552 forms were reviewed. The forms selected were for transfers that occurred during the three month period of January 16, 2017 to April 16, 2017. During the review of the ATF Forms 4473, IOIs found that the licensee failed to obtain a complete and accurate ATF Form 4473 from the transferee prior to the transfer of a firearm with the certification by the transferee that they are not prohibited by the Act from transporting, shipping, receiving or possessing a firearm in interstate or foreign commerce on fourteen forms in that:

- In item 2 on (b)(3) - 112 Public Law 55 125 Stat 552 forms, the transferee did not provide either their correct County of residence or their correct State of residence. Examples: (b)(3) - 112 Public Law 55 125 Stat 552
Reference Exhibit 1, Part 2.
- In item 11d on (b)(3) - 112 Public Law 55 125 Stat 552 forms, the transferee left the answer to the question “Are you a fugitive from justice?” blank. Examples: (b)(3) - 112 Public Law 55 125 Stat 552
Reference Exhibit 1, Part 1.
- In item 11i on (b)(3) - 112 Public Law 55 125 Stat 552 form, the transferee left the answer to the question “Have you ever been convicted in any court of a misdemeanor crime of domestic violence?” blank. Example: (b)(3) - 112 Public Law 55 125 Stat 552. Reference Exhibit 1, Part 1.
- In item 12a on (b)(3) - 112 Public Law 55 125 Stat 552 forms, the transferee did not provide their Country of Citizenship. Examples: (b)(3) - 112 Public Law 55 125 Stat 552
Reference Exhibit 1, Part 2.
- In item 12b on (b)(3) - 112 Public Law 55 125 Stat 552 form, the transferee left the answer to the question “Have you ever renounced your United States citizenship?” blank. Example: (b)(3) - 112 Public Law 55 125 Stat 552
Reference Exhibit 1, Part 2.
- In item 12d.1 on (b)(3) - 112 Public Law 55 125 Stat 552 forms, the transferee left the answer to the question “Are you an alien who has been admitted to the United States under a nonimmigrant visa?” blank. Examples: (b)(3) - 112 Public Law 55 125 Stat 552
Reference Exhibit 1, Part 2.

The licensee was cited in violation of 27 CFR 478.124(c)(1). Reference ATF EF 5030.5, Report of Violations, Violation Number 1; Worksheet 2; and Exhibit 1, Parts 1 and 2.

Also during the review of the forms, IOIs found that the licensee failed to obtain all of the information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to the form on [REDACTED] form in that, in item 11a, the transferee answered “no” to the question “Are you the actual buyer of the firearm(s) listed on this form?” Example: [REDACTED] (b)(3) - 112 Public Law 55 125 Stat 552. The licensee was cited in violation of 27 CFR 478.21(a). Reference ATF EF 5030.5, Report of Violations, Violation Number 2; Worksheet 2; and Exhibit 2.

The licensee failed to conduct a NICS background check except as provided in 27 CFR 478.102(d) by accepting an expired carry permit as an exemption to the background check on [REDACTED] occasion. Example: [REDACTED] (b)(3) - 112 Public Law 55 125 Stat 552. The licensee conducted a NICS check immediately when it was brought to their attention, with a proceed result. IOI (b)(6) conducted an OpenFox check on the purchaser, with no hits resulting. The licensee was cited in violation of 27 CFR 478.102(a). Reference ATF EF 5030.5, Report of Violations, Violation Number 3; Worksheet 2; and Exhibit 3.

The licensee transferred firearms to other licensees properly. The licensee transferred firearms to law enforcement officers properly. The FFL Audit log had 1,631 proceed, 69 currently open, 0 cancelled, 13 delayed, 8 under appeal and 67 denied transactions for the inspection period, for a total of 1,788 transactions. All transactions were verified, with no discrepancies found.

The forms are reviewed a total of four times prior to being filed. The employee responsible for the sale is the first review, the cashier is the second review, and a manager reviews the form prior to the completion of the sale. The licensee has an employee who reviews all the forms and ensures that the multiple sales forms are filed in a timely manner. The licensee has had a hand stamp made, which is stamped on the ATF Form 4473 and each employee who checks the form initials the appropriate hand stamp block. The forms are filed chronologically by day, and alphabetically within each day.

6 - Multiple Sales

There were [REDACTED] (b)(3) - 112 Public multiple sales, involving [REDACTED] (b)(3) - 112 Public firearms, reported on the Violent Crime Analysis Branch Master Query. No unreported multiple sales were found during the inspection.

7 - Suspicious/Prohibited Purchasers

During the inspection, purchaser Maria Bryant was identified as a potential trafficker. Ms. Bryant purchased eight pistols in a twelve day period. An OpenFox check conducted on Ms. Bryant did not disclose any prohibiting information. eTrace checks conducted on the (b)(3) - 112 P firearms she purchased did not disclose any hits. Purchaser (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

Reference Paragraph 10 – Referrals.

(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6), (b)(7)(C)

OpenFox and eTrace queries were conducted on nineteen purchasers, inclusive of the three previously mentioned in this paragraph, with no hits resulting.

8 - Trace Activity

There were no unsuccessful traces and (b)(3) - 11 successful traces within the previous twelve months. Two hundred and one firearms were traced through OpenFox and eTrace with no hits resulting.

9 - NFA/Importer/Collector/Manufacturer

The licensee does not conduct any Importer, Collector or Manufacturer activities. The licensee is going to start dealing in NFA weapons and has a Special Occupational Tax stamp, number (b)(3) - 26 USC 6103, which expires June 30, 2017. Mr. Eric Wallace stated that they had just received their NFA weapons, but had not started selling them yet. There were (b)(3) - 26 USC 6103 firearms listed on the National Firearm Registration and Transfer Record (NFRTR) for the licensee. There were 62 NFA firearms in inventory. No discrepancies were found. The 62 NFA weapons were compared with the A&D Record open entries, with no discrepancies found.

10 - Referrals

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

(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED] **Reference Exhibit 4,**
ATF Referral Number 2017-0015. (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED]
[REDACTED] **Reference Exhibit 4, ATF Referral**
Number 2017-0017.

11 - Other

When IOI (b)(6) arrived at the premises on April 17, 2017, Mr. Eric Wallace was in the process of reporting (b)(3) firearms missing, which he believes are a result of employee theft. (b)(6) [REDACTED]

The employee had management access to the computerized A&D Record and could have altered the record to cover up any theft of firearms. The licensee initiated a full physical firearms inventory and was able to identify the (b)(3) firearms as potentially being stolen by the employee. (b)(6) [REDACTED]

[REDACTED] These (b)(3) firearms were reported to ATF and local law enforcement on April 18, 2017. **Reference Exhibit 7.** The ATF Incident number is (b)(3) - 112 Public Law 55 125 Stat 552 [REDACTED] The firearms were logged out of the A&D Record as required.

(b)(3) - 112 Public Law 55 125 Stat 552 The reports are being timely submitted to ATF as required.

12 - Closing Actions

On May 3, 2017, IOI (b)(6) held a closing conference at the above listed premises with Mr. Eric Wallace, Manager, and (b)(6) Employee. IOI (b)(6) reviewed the Report of Violations with the licensee, as evidenced by Mr. Wallace's signature on the form. **Reference ATF EF 5030.5, Report of Violations.** IOI (b)(6) reviewed the Acknowledgement of Federal Firearms Regulations with Mr. Wallace, as evidenced by his signature on the form. **Reference Exhibit 5.** IOI (b)(6) provided the following reference materials: ATF Ruling 2001-5 and ATF Important phone numbers.

13 - Violations

1. 27 CFR 478.124(c)(1)

Nature of Violation:

Failure to obtain a complete and accurate ATF Form 4473 from the transferee prior to the transfer of a firearm with the certification by the transferee that they are not prohibited by the Act from transporting, shipping, receiving or possessing a firearm in interstate or foreign commerce on (b)(3) - 112 Public Law 55 125 Stat 552 forms in that:

- In item 2 on (b)(3) - 112 forms, the transferee did not provide either their correct County of residence or their correct State of residence. Examples: (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
[REDACTED] . **Reference Exhibit 1, Part 2.**
- In item 11d on (b)(3) - 112 forms, the transferee left the answer to the question “Are you a fugitive from justice?” blank. Examples: (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
[REDACTED] **Reference Exhibit 1, Part 1.**
- In item 11i on (b)(3) - 112 form, the transferee left the answer to the question “Have you ever been convicted in any court of a misdemeanor crime of domestic violence?” blank. Example: (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) . **Reference Exhibit 1, Part 1.**
- In item 12a on (b)(3) - 112 forms, the transferee did not provide their Country of Citizenship. Examples: (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
[REDACTED] **Reference Exhibit 1, Part 2.**
- In item 12b on (b)(3) - 112 form, the transferee left the answer to the question “Have you ever renounced your United States citizenship?” blank. Example: (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
[REDACTED] **Reference Exhibit 1, Part 2.**
- In item 12d.1 on (b)(3) - 112 forms, the transferee left the answer to the question “Are you an alien who has been admitted to the United States under a nonimmigrant visa?” blank. Examples: (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
[REDACTED] **Reference Exhibit 1, Part 2.**

Licensee’s Response:

The licensee stated that he didn’t know how these mistakes passed all four checks that they perform on the forms. He stated that, since the same employee was responsible for all four forms with the wrong information in the county section, he must think it says “country” instead of “county.” The licensee stated that they would hold a review session for the employees on the significance of reviewing the forms properly.

Corrective Action:

Prior to making a transfer of a firearm to a non-licensee, obtain a complete and accurate ATF Form 4473. If the transferee does not answer the certification questions, stop the transfer process until all questions are answered properly. Review all ATF F 4473s

prior to completing the transaction. If any mistakes are noted prior to the transfer of the firearm, have the transferee correct the mistake and initial and date the change made. If mistakes are found after the transfer of the firearm, make a copy of the ATF Form 4473 and have the transferee and/or transferor correct the mistakes and initial and date any changes made.

Worksheets and Exhibits:

Worksheet 2

Exhibit 1, Parts 1 and 2

2. 27 CFR 478.21(a)

Nature of Violation:

Failure to obtain all of the information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to the form on [REDACTED] form in that, in item 11a, the transferee answered "no" to the question "Are you the actual buyer of the firearm(s) listed on this form?" Example: [REDACTED] (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

Licensee's Response:

The licensee stated that he didn't know how these mistakes passed all four checks that they perform on the forms. The licensee stated that they would hold a review session for the employees on the significance of reviewing the forms properly.

Corrective Action:

Obtain all of the information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to the form. If the customer indicates that they are not the transferee/buyer of the firearm, do not continue with the transaction. Review the completed ATF Form 4473 prior to the transfer of any firearms. If any mistakes are noted prior to the transfer of the firearm, have the transferee correct the mistake and initial and date the change made. If mistakes are found after the transfer of the firearm, make a copy of the ATF Form 4473 and have the transferee and/or transferor correct the mistakes and initial and date any changes made.

Worksheets and Exhibits:

Worksheet 2

Exhibit 2

3. 27 CFR 478.102(a)

Nature of Violation:

Failure to conduct a NICS background check except as provided in 27 CFR 478.102(d) by accepting an expired carry permit as an exemption to the background check on [REDACTED] occasion. Example: [REDACTED] (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

Licensee's Response:

The licensee stated that they must have missed the fact that the carry permit was expired because it was so close to the expiration date when the transfer took place. Mr. Eric Wallace stated that he had contacted the purchaser to see if he had a current carry permit and "he didn't even realize that the carry permit had expired." The licensee stated that he didn't know how these mistakes passed all four checks that they perform on the forms. The licensee stated that they would hold a review session for the employees on the significance of reviewing the forms properly.

Corrective Action:

A licensed dealer shall not sell, deliver or transfer a firearm to any other person who is not licensed under 27 CFR 478 unless the licensee contacts NICS to conduct a background check and either receives a proceed response or allows three business days, not including the day the licensee contacts NICS, to elapse and NICS has not notified the licensee that the receipt of the firearm by the transferee would be in violation of the law or if the transferee has presented to the licensee a valid permit that issued not more than 5 years earlier by the State in which the transfer is to take place.

Worksheets and Exhibits:

Worksheet 2

Exhibit 3

X

Industry Operations Investigator

Index of Worksheets and Exhibits**WORKSHEETS**

2 – ATF Form 4473 Discrepancies

EXHIBITS

1 – Copies for Violation Number 1

2 – Copies for Violation Number 2

3 – Copies for Violation Number 3

4 – ATF Referrals

5 – Acknowledgement of Federal Firearms Regulations

- 6 – Email from Mr. Eric Wallace
- 7 – Theft/Loss Report