

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) EZPAWN ARIZONA INC USA PAWN & JEWELRY 4870-4872 E 22ND ST TUCSON, AZ 85711, PIMA		2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 785090-2016-0139-B1B		
		3. PERMIT/LICENSE NUMBER 986019027B07035	4a. TARGET DATE 9/25/2016	4b. TARGET HOURS
		5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		
6. ATF OFFICER(S) ASSIGNED (b)(6) - Lead Investigator (b)(6) - Assigned Investigator				
7. ASSIGNED BY (SIGNATURE, TITLE AND DATE) (b)(6), Area Supervisor, 02/01/2016				
8. PURPOSE/SPECIAL INSTRUCTIONS PAWN INITIATIVE.				
9. INSPECTION RESULTS <input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC				
NO. OF VIOLATIONS	9	NO. OF REFERRALS		2111 - PER DIEM
NO. OF TECS CHECKS	21	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: 12/05/2016 Viols WC with WL and Recall				
12. TIME ACCOUNTING DATA				
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b)(6)				
FEB 2016	5.00			
APR 2016	69.00			
MAY 2016	3.00			
JUN 2016	118.00			
JUL 2016	43.50			
SEP 2016	35.50			
OCT 2016	15.50			
NOV 2016	10.00			
DEC 2016	1.00			
ATF OFFICER'S SUBTOTAL	300.50	ATF OFFICER'S SIGNATURE		
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b)(6)				
FEB 2016	1.00			
ATF OFFICER'S SUBTOTAL	1.00	ATF OFFICER'S SIGNATURE		
TOTAL HOURS	301.50			

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) EZPAWN ARIZONA INC USA PAWN & JEWELRY 4870-4872 E 22ND ST TUCSON,AZ 85711, PIMA	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 785090-2016-0139-B1B		
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13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

Recommend alternate recommendation of Violations, Warning Letter and Recall Inspection in lieu of a Warning Conference.. EZ Pawn Arizona, Inc holds multiple FFLs within the State of Arizona. Recent inspections of the EZ Pawn Arizona, Inc stores resulted in violations of the Federal Gun Control Act. Due to recent inspection results, EZ Pawn Arizona, Inc reached out to ATF and requested an Outreach Seminar by ATF to address the recent issues, errors and mistakes that were found during recent ATF inspections. On August 16, 2016, ATF Industry Operation Investigators held an outreach seminar for the managers / employees of the local EZ Pawn Arizona, Inc stores to provide assistance and guidance as it pertains to compliance with Federal Firearms Regulations. RP Charles Bibeau was in attendance at the outreach on 8/16/16.

Viols WL ONLY and Recall Inspection

☒ REVIEWED

☐ CONCUR

☒ SEE COMMENTS

☒ FINAL DISPOSITION

SIGNATURE AND TITLE

(b)(6) - Area Supervisor

(b)(6)

Digitally signed by (b)(6)
DN: c=US, o=U.S. Government, ou=Dept of
Justice, ou=ATF, cn=(b)(6)
0.9.2342.19200300.100.1.1=15001000957083
Date: 2016.12.20 13:59:19 -0700

REVIEW DATE

11/03/2016

REVIEW COMMENTS AND RECOMMENDATION

I concur with the Area Supervisor's alternate recommendation of Warning Letter and Recall inspection.

Viols WL ONLY and Recall Inspection

☒ REVIEWED

☐ CONCUR

☒ SEE COMMENTS

☐ FINAL DISPOSITION

SIGNATURE AND TITLE

MSMITCHEM - Director of Industry Operations

REVIEW DATE

12/16/2016

ROUTING SEQUENCE AND DATE

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

CONTROL FILE POSTED DATE _____

U.S. Department of Justice

Bureau of Alcohol, Tobacco, Firearms and Explosives

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 EZPAWN ARIZONA INC USA PAWN & JEWELRY	Street Address 4870-4872 E 22ND ST	City TUCSON	State AZ	Zip Code 85711-	County PIMA	Page 1 of 4 Pages
License/Permit/Registry Number <i>(If any)</i> 986019027B07035		Expiration Date 2/1/2017	Date(s) or Period of Inspection 04/14/2015 through 04/14/2016			

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 to furnish or obtain all information as required by headings and instructions on ATF Forms 4473.

Citation: 27 CFR 478.21(a)

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

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

IOI (b)(3)(1)

IOI (b)(6) instructed the RP to ensure all future ATF Forms 4473 are completed as required by headings and instruction on the form.

Number: 2

Nature of Violation:
Failure to obtain and record all required transferee information on ATF Forms 4473.

Citation: 27 CFR 478.124(c)(1)

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

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

IOI (b)(3)(1)

IOI (b)(6) instructed the RP to ensure all required transferee information is obtained and recorded on all future ATF Forms 4473.

Number: 3

Nature of Violation:
Failure to verify and record proper transferee's identification documents on ATF Forms 4473.

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)(3)(1)

IOI (b)(6) instructed the RP to ensure all information from transferee's identification documents is verified and recorded on all future ATF Forms 4473.

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ATF E-Form 5030 5
Revised April 2005

Report of Violations

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License/Permit/Registry Number <i>(If any)</i> 986019027B07035		Expiration Date 2/1/2017	Date(s) or Period of Inspection 04/14/2015 through 04/14/2016			

Inspection Results

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

- Number:** 4

Nature of Violation:
Failure to record all required NICS transaction information on (b)(3)(1) ATF Forms 4473.

Citation: 27 CFR 478.124(c)(3)(iv)
- Date Corrections to be Made:**
(If not corrected immediately)

Corrective Action to be Taken: IOI (b)(6) instructed the RP to ensure all required NICS transaction information is recorded on all future ATF Forms 4473.
- Number:** 5

Nature of Violation:
Failure to properly sign and/or record the correct date of transfer of a firearm on (b)(3)(1) ATF Forms 4473.

Citation: 27 CFR 478.124(c)(5)
- Date Corrections to be Made:**
(If not corrected immediately)

Corrective Action to be Taken: IOI (b)(6) instructed the RP to ensure all future ATF Forms 4473 are properly signed and/or dated with the correct date of transfer of a firearm.
- Number:** 6

Nature of Violation:
Failure to comply with the required NICS waiting period after receiving a “Delayed” response from NICS prior to transferring a firearm to a non-licensee in (b)(3)(1) instance.

Citation: 27 CFR 478.102(a)(2)(ii)
- Date Corrections to be Made:**
(If not corrected immediately)

Corrective Action to be Taken: IOI (b)(6) instructed the RP to comply with the required NICS waiting period after receiving a “Delayed” response from NICS prior to transferring a firearm to a non-licensee.

Report of Violations

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Name of Proprietor EZPAWN ARIZONA INC USA PAWN & JEWELRY	Street Address 4870-4872 E 22ND ST	City TUCSON	State AZ	Zip Code 85711-	County PIMA	Page 3 of 4 Pages
License/Permit/Registry Number <i>(If any)</i> 986019027B07035		Expiration Date 2/1/2017		Date(s) or Period of Inspection 04/14/2015 through 04/14/2016		

Inspection Results

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

Number: 7	Date Corrections to be Made: <i>(If not corrected immediately)</i>	
Nature of Violation: Failure to either maintain a copy or properly and completely record required information from the permit or license which exempts a non-licensee from NICS background check requirements in [REDACTED] instances.	Corrective Action to be Taken: <i>(If not corrected immediately)</i>	IOI (b)(6) [REDACTED] instructed the RP to ensure to either maintain a copy of the permit or license or properly/completely record on the ATF Form 4473 the required information from the permit or license that exempts a non-licensee from NICS background check requirements.
Citation: 27 CFR 478.131(a)(2)		
Number: 8	Date Corrections to be Made: <i>(If not corrected immediately)</i>	
Nature of Violation: Transfer of a firearm to a person knowing, or having reasonable cause to believe, including a "YES" answer to a prohibiting question of the ATF Form 4473, that such person is prohibited from possessing firearms in [REDACTED] instances.	Corrective Action to be Taken: <i>(If not corrected immediately)</i>	IOI (b)(6) [REDACTED] instructed the RP to ensure a firearm is not transferred to a person if he knows, or has reasonable cause to believe, including a "YES" answer to a prohibiting question of the ATF Form 4473, the person is prohibited from possessing firearms.
Citation: 27 CFR 478.99(c)		

U.S. Department of Justice

Bureau of Alcohol, Tobacco, Firearms and Explosives

Report of Violations

Instructions

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Name of Proprietor EZPAWN ARIZONA INC USA PAWN & JEWELRY	Street Address 4870-4872 E 22ND ST	City TUCSON	State AZ	Zip Code 85711-	County PIMA	Page 4 of 4 Pages
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License/Permit/Registry Number <i>(If any)</i> 986019027B07035	Expiration Date 2/1/2017	Date(s) or Period of Inspection 04/14/2015 through 04/14/2016
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Inspection Results

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

Number: 9

Nature of Violation:
Failure to correctly/completely record required information in the A&D Record in (b)(3)(1)(2) instances. Specifically, in (b)(3)(1)(2) instances, the licensee failed to record all firearm information in the acquisition section of the A&D Record. In (b)(3) instances, the licensee failed to record all information pertaining to who firearms were obtained from. In (b)(3)(1)(2) instances, no disposition information was recorded. In (b)(3)(1)(2) instances, the licensee failed to record anything other than the date of disposition. In (b)(3) instances, the licensee failed to record all required information pertaining to whom the firearm was transferred.

Citation: 27 CFR 478.125(e)

Date Corrections to be Made: 06/01/2016
(If not corrected immediately)

Corrective Action to be Taken: IOI (b)(6) instructed the RP to ensure firearm acquisition information is properly and completely recorded in the A&D Record. IOI (b)(6) also instructed the RP to ensure firearm disposition information is properly and completely recorded in the A&D Record.

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

Signature and Title of ATF Officer

Date

Date

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Bureau of Alcohol, Tobacco,
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December 20, 2016

785090:

(b)(3) 112 Public

5300

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Pifer Murande Assereto, Store Manager/Responsible Person
EZPawn Arizona dba USA Pawn & Jewelry
4870-4872 E. 22nd St.
Tucson, AZ 85711

Re: FFL# 9-86-019-02-7B-07035

Dear Mr. Murande Assereto,

During a recent inspection at your firearms business covering the period April 14, 2015. to April 14, 2016, you were cited for violations of Title 27, Code of Federal Regulations, Part 478. A copy of the Amended Report of Violations, ATF F 5030.5, issued on October 31, 2016 is enclosed.

All violations were fully explained by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Industry Operations Investigator. Responsible Person Charles Bibeau and District Manager Ivan Cardenas indicated they 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.



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Mr. Murande Assereto

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

Sincerely yours

(b)(6)

Area Supervisor

cc: Federal Firearms Licensing Center
Tucson III Field Office

(b)(6)

Address: 4870-4872 E. 22nd St.
Tucson, AZ 85711

Pima

1 - Introduction

Inspection Profile:

On April 14, 2016, Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) Industry Operations Investigator (IOI) (b)(6) went to 4870-4872 E. 22nd St., Tucson, AZ 85711 to conduct an unannounced Full Scope, Southwest Border Disposition Emphasis, Pawnbroker (Type 02) compliance inspection of EZPawn Arizona Inc., dba USA Pawn and Jewelry.

IOI (b)(6) met with Charles Bibeau, Store Manager and Responsible Person (RP), of EZPawn Arizona Inc., dba USA Pawn and Jewelry. Mr. Bibeau was identified by his AZ Driver License ((b)(6)).

The period of inspection covered April 14, 2015, to April 14, 2016. The A&D Record was reviewed from the start of the current license (January 2014) through April 2016 due to numerous issues noted during the initial A&D Record review. Area Supervisor (b)(6) approved the extended A&D Record review period.

On April 29, 2016, IOI (b)(6) issued a Report of Violations (ROV) to RP Bibeau.

On June 1, 2015, IOI (b)(6) reviewed the A&D Record and issued an Amended ROV to include an additional violation.

On October 31, 2016, IOI (b)(6) sent an Amended ROV, via certified mail, to the RP in order to remove reference to violations of 27 CFR Part 478.102(a) and correct the number of instances of violations of 27 CFR Part 478.124(c)(3)(iv) and 27 CFR Part 478.131(a)(2). IOI (b)(6) checked the U. S. Postal Service website and confirmed the Amended ROV was received on November 17, 2016.

Business Profile:

EZPawn Arizona Inc., dba USA Pawn & Jewelry currently operates from a commercial storefront located at 4870-4872 E. 22nd St., Tucson, AZ 85711. EZPawn Arizona Inc., dba USA Pawn & Jewelry makes collateral loans on firearms, jewelry, electronics, appliances, automobiles and other consumer goods. The business is located in suburban Tucson, Arizona.

The licensee acquired (b)(4) firearms and disposed of (b)(4) during the previous 12 months. During the expanded inspection period of January 14, 2014, through

April 14, 2016, the licensee acquired approximately (b)(4) firearms and disposed of approximately (b)(4) firearms. The business' acquisitions and dispositions were approximately (b)(4) handguns and (b)(4) long guns.

(b)(4) percent of the licensee's firearms were used.

(b)(4) percent of the licensee's firearms business involved loans against firearms and pawn redemptions of firearms. The licensee does not conduct business in retail sale or wholesale of firearms.

The licensee does not have a primary firearms supplier as they only deal in firearms loans and pawns.

The licensee does not participate in gun shows.

The licensee does not conduct internet transfers or sales of firearms.

A query of the Federal Licensing System (FLS) disclosed that the licensee holds 11 other licenses issued by ATF for other business locations throughout the United States. Additionally, the business premises had a second Federal Firearms License (FFL) between January 2014 and October 2014; the second licensee was USA Pawn & Jewelry Co., LLC (9-86-38381). During the overlap, firearms were transferred from 9-86-38381 to 9-86-07035.

The licensee had a current Arizona Transaction Privilege License. The licensee is properly zoned to conduct sales of firearms.

The licensee has held this FFL since January 22, 2014, and the current license will expire on February 1, 2017.

The licensee uses a gunroom for on-site storage. The storage location is locked when not in use and key control is restricted to managers and select associates. There was no off-site storage utilized.

Ownership and Control:

EZPawn Arizona Inc., dba USA Pawn & Jewelry, operates as a foreign limited liability company domiciled in Delaware.

A review of the business status with the Arizona Corporation Commission revealed that the licensee is in good standing with the State of Arizona. The business was incorporated on May 1, 2013, and published on May 30, 2013.

Mr. Bibeau is the only active RP on the license. No additional persons were added to or removed from license at the time of the inspection.

No hidden ownership was suspected.

Variance:

The licensee had no variances at the time of the inspection.

2 - Recommendation

Warning Conference, Warning Letter and Recall Inspection.

3 - Inspection History

A review of the area office file disclosed one previous inspection for EZPawn Arizona Inc., dba USA Pawn & Jewelry, during the past five years:

Date of Inspection:	1/15/14
Type of Inspection:	Qualification Inspection
UI#:	785090-2014-0150
Inspection Results:	Recommend application be approved and FFL#9-86-07035 be issued.
Cited Violations:	None.

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

IOI (b)(6) conducted a 100 percent inventory of all business firearms found at the premises. IOI (b)(6) conducted a 100 percent comparison of firearms in inventory to the A&D Record. The firearms inventory disclosed (b)(6) firearms in inventory with (b)(6) open dispositions in the Acquisition and Disposition (A&D) Record. Of the (b)(6) firearms found in inventory, all were recorded as acquisitions in the A&D Record. There were (b)(6) open dispositions that did not correspond to a firearm in inventory.

On April 21, 2016, IOI (b)(6) instructed RP Bibeau to research the open dispositions and provide a resolution by April 29, 2016. RP Bibeau was able to provide paperwork from various law enforcement agencies to show the firearms had been disposed to law enforcement agencies. The A&D Record was corrected to reflect the dispositions. After final reconciliation, all (b)(6) open entries corresponded to a firearm in inventory.

The licensee maintains a computerized A&D Record. This computerized record was kept in accordance with ATF Ruling 2016-1. During the A&D Record review, IOI (b)(6) noted some firearms were recorded as having been acquired prior to the issuance of the FFL. RP Bibeau stated he did not know why they were recorded that way, but would ask some of the employees that were there at the time. RP Bibeau later

FIREARMS INSPECTION REPORT

Name: EZPawn Arizona Inc.
Trade Name: USA Pawn and Jewelry

UI#: 785090-2016-0139
FFL#: 9-86-019-02-7B-07035

explained to IOI (b)(6) that they had been instructed to maintain the original acquisition information. RP Bibeau stated none of the people he spoke to could remember who provided the instruction. IOI (b)(6) educated RP Bibeau on the proper way to transfer firearms from one license to another should the situation arise in the future.

The licensee was cited for violations of 27 CFR 478.125(e): Failure to record required acquisition and disposition information in the A&D Record on (b)(3) 112 instances. Specifically, the licensee failed to record the disposition of (b)(3) 112 firearms, failed to correctly and/or completely record the disposition information of firearms in (b)(3) 112 instances, and failed to correctly record firearm acquisition information in (b)(3) 112 instances. **Reference Worksheet 1 – Inventory, A&D, Exhibit #1 – A&D Record with violations of 27 CFR 478.125(e) and ATF Form 5030.5, Amended Report of Violations.**

On April 21, 2016, IOI (b)(6) instructed RP Bibeau to correct the disposition discrepancies and as many of the acquisition discrepancies as he could find accurate information for. IOI (b)(6) asked the RP how much time he thought he would need. He stated he should be able to complete the updates by April 29, 2016. On April 29, 2016, the RP stated he would need more time. IOI (b)(6) again asked how much time would be needed. RP Bibeau stated he would need another week. IOI (b)(6) proposed May 10, 2016, or May 26, 2016. The RP agreed he should be able to complete the updates by May 10, 2016.

On May 9, 2016, Area Supervisor (AS) (b)(6) provided IOI (b)(6) a letter from the licensee's corporate office. The letter stated the corporate office would be making the A&D Record corrections, but would need until May 27, 2016. IOI (b)(6) and AS (b)(6) determined June 1, 2016 would be the earliest prudent date to complete the inspection. **Reference Exhibit #2 – Letter from Alexis Rimes**

On June 1, 2016, IOI (b)(6) reviewed the A&D Record and determined the discrepancies had been corrected.

IOI (b)(6) compared 25 ATF Forms 4473 with the A&D Record Book and found the dispositions were recorded in a timely manner and there were no discrepancies.

There were no Theft/Loss Reports submitted by the licensee during the inspection period or as a result of this inspection.

There were no indications of any trafficking issues related to the acquisition and disposition of firearms.

There were no firearms with obliterated serial numbers or illegal firearms found during the inspection.

The RP advised that when a firearm is received at the business premises, the firearm is examined for physical condition and identification information. The identification and customer information for the firearm is entered into the A&D Record.

Disposition information is entered automatically by the Point of Sale system.

5 - ATF Forms 4473 – NICS & Other Dispositions

IOI (b)(6) reviewed all (b)(3)-(1)(2) ATF Forms 4473 completed in the last 12 months. The review of these forms disclosed the following nine violations:

On (b)(3)-(1)(2) ATF Forms 4473, the licensee failed to provide all information as required by the headings and instructions. The licensee was cited with violating 27 CFR 478.21(a) in (b)(3)-(1)(2) instances. **Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #3 – ATF Forms 4473 with violation of 27 CFR 478.21(a) and ATF Form 5030.5, Report of Violations.**

On (b)(3)-(1)(2) ATF Forms 4473, the licensee failed to obtain and record all required transferee information. The licensee was cited with violating 27 CFR 478.124(c)(1) in (b)(3)-(1)(2) instances. **Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #4 – ATF Forms 4473 with violation of 27 CFR 478.124(c)(1) and ATF Form 5030.5, Report of Violations.**

On (b)(3) ATF Forms 4473, the licensee failed to verify and record proper transferee's identification documents of the purchaser. The licensee was cited with violating 27 CFR 478.124(c)(3)(i) in (b)(3) instances. **Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #5 – ATF Forms 4473 with violation of 27 CFR 478.124(c)(3)(i) and ATF Form 5030.5, Report of Violations.**

On (b)(3)-(1)(2) ATF Forms 4473, the licensee failed to record all required NICS transaction information. The licensee was cited with violating 27 CFR 478.124(c)(3)(iv) in (b)(3)-(1)(2) instances. **Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #6 – ATF Forms 4473 with violation of 27 CFR 478.124(c)(3)(iv) and ATF Form 5030.5, Report of Violations.**

On (b)(3)-(1)(2) ATF Forms 4473, the licensee failed to sign and/or date the ATF Form 4473 at the time the transfer was conducted. The licensee was cited with violating 27 CFR 478.124(c)(5) in (b)(3)-(1)(2) instance. **Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #7 – ATF Forms 4473 with violation of 27 CFR 478.124(c)(5) and ATF Form 5030.5, Report of Violations.**

In (b)(3)(1)(2) instance, the licensee failed to comply with the required NICS waiting period after receiving a “Delayed” response from NICS prior to transferring a firearm to a non-licensee. The licensee was cited with violating 27 CFR 478.102(a)(2)(ii) in (b)(3)(1)(2) instance. A computerized criminal history check was done on the purchaser, which did not return any prohibiting information. **Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #8– ATF Forms 4473 with violation of 27 CFR 478.102(a)(2)(ii) and ATF Form 5030.5, Report of Violations.**

On (b)(3)(1)(2) ATF Forms 4473, the licensee failed to correctly record the permit or license information that exempts a non-licensee from the NICS background check. The licensee was cited with violating 27 CFR 478.131(a)(2) in (b)(3)(1)(2) instances. Computerized criminal history checks and Arizona Concealed Weapon Permit (AZCWP) verifications (via Intelligence Resource Specialist (b)(6)) were conducted on the purchasers to resolve the incorrect AZCWP information. The checks did not return any prohibiting information. The purchasers did have a valid AZCWP at the time of transfer. **Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #9– ATF Form 4473 with violation of 27 CFR 478. 131(a)(2) and ATF Form 5030.5, Report of Violations.**

In (b)(3)(1)(2) instances, the licensee transferred a firearm to a person knowing, or having reasonable cause to believe, including a “YES” answer to a prohibiting question of the ATF Form 4473, that such person is prohibited from possessing firearms. The licensee was cited with violating 27 CFR 478.99(c) in (b)(3)(1)(2) instances. Computerized criminal history checks were conducted on the (b)(3)(1)(2) purchasers. The checks did not return any prohibiting information. **Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #10– ATF Form 4473 with violation of 27 CFR 478. 99(c) and ATF Form 5030.5, Report of Violations.**

There were no transfers to other licensees or law enforcement officers.

IOI (b)(6) reviewed the FFL Audit report for the 90 days prior to the inspection. There were 28 transactions reported: 22 “Proceed” transactions, three “Open” transactions, and three “Denied” transactions. All 28 transactions were compared to the ATF Forms 4473 on file and did not disclose any discrepancies.

6 - Multiple Sales

According to the Violent Crime Analysis Branch (VCAB), the licensee reported no multiple sales in the past 12 months. There were no unreported multiple sales uncovered during the inspection.

7 - Suspicious/Prohibited Purchasers

FIREARMS INSPECTION REPORT

Name: EZPawn Arizona Inc.
Trade Name: USA Pawn and Jewelry

UI#: 785090-2016-0139
FFL#: 9-86-019-02-7B-07035

Computerized criminal history checks were conducted on seven suspicious purchasers with negative results. No possible traffickers or straw purchasers were identified and no referrals were made.

8 - Trace Activity

According to the Violent Crime Analysis Branch (VCAB), the licensee had no trace requests in the past 12 months.

Six used firearms were selected for a secondary market analysis. A check of the firearms in NCIC and eTrace did not reveal any derogatory information.

9 - NFA/Importer/Collector/Manufacturer

The licensee does not deal with NFA items. The licensee does not conduct importing, collecting, or manufacturing activities.

10 - Referrals

No referrals were generated because of this inspection.

11 - Other

IOI (b)(6) observed that the licensee had the Youth Handgun Safety Act poster properly displayed, and possessed a sufficient amount of pamphlets available for handgun transfers.

The licensee also maintains safety devices that are available to customers for firearms that do not have a safety device.

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

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

12 - Closing Actions

On April 29, 2016, a Report of Violations was issued to EZPawn Arizona Inc., dba USA Pawn & Jewelry. The violations were discussed and any questions by the licensee were answered by IOI (b)(6). Mr. Bibeau, RP, acknowledged receipt of the Report of Violations by signing and dating the form.

A copy was provided for the licensee's records.

On June 1, 2016, an amended Report of Violation was issued to EZPawn Arizona Inc., dba USA Pawn & Jewelry. The violations were discussed and any questions by the licensee were answered by IOI (b)(6). Mr. Bibeau, RP, acknowledged receipt of the Report of Violations by signing and dating the form.

A copy was provided for the licensee's records.

On October 31, 2016, an amended Report of Violation was issued to EZPawn Arizona Inc., dba USA Pawn & Jewelry.

A copy was provided for the licensee's records.

On June 1, 2016, a Closing Conference was conducted with Mr. Bibeau. The Federal Firearms Regulatory Requirements were discussed and reviewed.

All questions by the licensee were discussed and answered by IOI (b)(6). This was acknowledged by Mr. Bibeau signing and dating the Acknowledgement of Federal Firearms Regulations.

A copy of the Acknowledgement of Federal Firearms Regulations was provided for the licensee's records.

Reference Exhibit #11: Acknowledgement of Federal Firearms Regulations

13 - Violations

1. 27 CFR 478.21(a)

Nature of violation:

On (b)(3)(1)(2)(F) ATF Forms 4473, the licensee failed to provide all the information called for on each form. In (b)(3)(1)(2)(F) instances, the licensee failed to ensure the transferee completed Section C of the ATF Form 4473 when the transfer took place on a different day than when Section A had been completed. In (b)(3)(1)(2) instance, the licensee failed to ensure the

transferee correctly completed Section C of the ATF Form 4473 when the transfer took place on a different day than when Section A had been completed. In (b)(6) instances, the licensee failed to complete block 32 of the ATF Form 4473.

Licensee's response:

RP Bibeau stated he did not know how those items were missed. He further stated he would speak with all of the employees and review ATF Form 4473 completion requirements.

Corrective action:

IOI (b)(6) instructed the RP to ensure all future ATF Forms 4473 are completed as required by headings and instruction on the form.

Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #3 – ATF Forms 4473 with violation of 27 CFR 478.21(a) and ATF Form 5030.5, Report of Violations.

2. **27 CFR 478.124(c)(1)**

Nature of violation:

On (b)(6) ATF Forms 4473, the licensee failed to obtain and record all required transferee information. Specifically, the licensee failed to ensure the transferee provided the correct date of signature.

Licensee's response:

RP Bibeau stated he did not know how those items were missed. He further stated he would speak with all of the employees and review ATF Form 4473 completion requirements.

Corrective action:

IOI (b)(6) instructed the RP to ensure all required transferee information is obtained and recorded on all future ATF Forms 4473.

Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #4 – ATF Forms 4473 with violation of 27 CFR 478.124(c)(1) and ATF Form 5030.5, Report of Violations.

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

Nature of violation:

On (b)(3)(12) ATF Forms 4473, the licensee failed to verify and record proper transferee's identification documents of the purchaser. In all (b)(3)(12) instances, the licensee failed to ensure the correct identification document (ID) expiration date was recorded in block 20a.

Licensee's response:

RP Bibeau stated he did not know how ID expiration dates were incorrectly recorded. He further stated he would speak with all of the employees and review ATF Form 4473 completion requirements.

Corrective action:

IOI (b)(6) instructed the RP to ensure all information from transferee's identification documents is verified and recorded on all future ATF Forms 4473.

Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #5 – ATF Forms 4473 with violation of 27 CFR 478.124(c)(3)(i) and ATF Form 5030.5, Report of Violations.

4. **27 CFR 478.124(c)(3)(iv)**

Nature of violation:

On (b)(3)(12) ATF Forms 4473, the licensee failed to record all required NICS transaction information. In (b)(3)(12) instances, the licensee failed to complete block 21e when a response was given after a firearm had been transferred following an initial response of "Delayed." In (b)(3)(12) instance, the licensee failed to complete block 21d following an initial response of "Delayed. In (b)(3)(12) instance, the licensee failed to correctly record the NICS Transaction Number in block 21b.

Licensee's response:

RP Bibeau stated he did not know why the ATF Forms 4473 were not properly completed. He further stated he would speak with all of the employees and review ATF Form 4473 completion requirements.

Corrective action:

IOI (b)(6) instructed the RP to ensure all required NICS transaction information is recorded on all Future ATF Forms 4473.

Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #6 – ATF Forms 4473 with violation of 27 CFR 478.124(c)(3)(iv) and ATF Form 5030.5, Report of Violations.

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

Nature of violation:

On (b)(3)(12) ATF Forms 4473, the licensee failed to sign and/or date the ATF Form 4473. Specifically, the licensee improperly changed the date of transfer in block 36.

Licensee's response:

RP Bibeau stated he did not know why the transfer date on the ATF Form 4473 was changed. He stated he would speak with all of the employees and review ATF Form 4473 completion requirements.

Corrective action:

IOI (b)(6) instructed the RP to ensure all future ATF Forms 4473 are properly signed and/or dated with the correct date of transfer of a firearm.

Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #7– ATF Forms 4473 with violation of 27 CFR 478.124(c)(5) and ATF Form 5030.5, Report of Violations.

6. **27 CFR 478.102(a)(2)(ii)**

Nature of violation:

In (b)(3)(12) instance, the licensee failed to comply with the required NICS waiting period after receiving a “Delayed” response from NICS prior to transferring a firearm to a non-licensee. Specifically, the licensee received a “may be transferred on” date of May 6, 2015. The firearm was transferred on May 3, 2015. Block 21d was not completed, so if a “Proceed” response was given prior to the “may be transferred on” date of May 6, 2016, it cannot be verified.

Licensee's response:

RP Bibeau stated the transaction occurred before he became the RP, so he was unable to explain the violation. He stated he would re-train all employees on NICS requirements and documentation.

Corrective action:

IOI (b)(6) instructed the RP to comply with the required NICS waiting period after receiving a “Delayed” response from NICS prior to transferring a firearm to a non-licensee.

Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #8– ATF Forms 4473 with violation of 27 CFR 478.102(a)(2)(ii) and ATF Form 5030.5, Report of Violations.

7. **27 CFR 478. 131(a)(2)**

Nature of violation:

On ^{(b)(3) (1)(2)} ATF Forms 4473, the licensee failed to correctly record the permit or license information that exempts a non-licensee from the NICS background check. Specifically, the licensee failed to correctly record the Arizona Concealed Weapon Permit (AZCWP) information on the ATF Forms 4473.

Licensee's response:

RP Bibeau stated the transaction occurred before he became the RP, so he was unable to explain the violation. He stated he would remind all employees to ensure the correct AZCWP information is recorded.

Corrective action:

IOI ^{(b)(6)} instructed the RP to ensure to either maintain a copy of the permit or license or properly/completely record on the ATF Form 4473 the required information from the permit or license that exempts a non-licensee from NICS background check requirements.

Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #9– ATF Form 4473 with violation of 27 CFR 478. 131(a)(2) and ATF Form 5030.5, Report of Violations.

8. **27 CFR 478. 478. 99(c)**

Nature of violation:

In ^{(b)(3) (1)(2)} instances, the licensee transferred a firearm to a person knowing, or having reasonable cause to believe, including a “YES” answer to a prohibiting question of the ATF Form 4473, that such person is prohibited from possessing firearms. Specifically, ^{(b)(3) (1)(2)} customers answered “YES” to question 11i.

Licensee's response:

RP Bibeau stated the transactions occurred either before or shortly after he “took over the store.” He further stated he had never worked with firearms prior to working for the licensee. He said he was not provided formal training on firearms transactions by the

licensee and had only watched “a couple” of firearms transactions at another EZPawn Arizona Inc. location. He stated he would speak with all employees about reviewing the ATF Form 4473 prior to contacting NICS.

Corrective action:

IOI (b)(6) instructed the RP to ensure a firearm is not transferred to a person if he knows, or has reasonable cause to believe, including a “YES” answer to a prohibiting question of the ATF Form 4473, the person is prohibited from possessing firearms.

Reference Worksheet 2 – 4473 (2012 Edition), Exhibit #10– ATF Form 4473 with violation of 27 CFR 478. 99(c) and ATF Form 5030.5, Report of Violations.

9. **27 CFR 478.125(e)**

Nature of violation:

The licensee failed to correctly/completely record required information in the A&D Record in (b)(3) (b)(7)(F) instances. Specifically, in seven instances, the licensee failed to record all firearm information in the acquisition section of the A&D Record. In (b)(3) instances, the licensee failed to record all information pertaining to who firearms were obtained from. Specifically, when EZ Pawn Arizona Inc., dba USA Pawn & Jewelry obtained the business premises, and all inventory, located at 4870-4872 E. 22nd St., Tucson, AZ 85711 from USA Pawn & Jewelry Co., LLC (9-86-38381 – inactive), EZ Pawn Arizona Inc., dba USA Pawn & Jewelry failed to record the name and FFL number of USA Pawn & Jewelry Co., LLC. In (b)(3) (b)(7)(F) instances, no disposition information was recorded. In (b)(3) (b)(7)(F) instances, the licensee failed to record anything other than the date of disposition. In (b)(3) (b)(7)(F) instances, the licensee failed to record all required information pertaining to whom the firearm was transferred.

Licensee’s response:

RP Bibeau stated all of the “law enforcement pick-ups” were completed before he started working at that location. He stated he would ensure all future dispositions to law enforcement would be recorded correctly. He further stated the other instances of missing disposition information were a result of issues with information entered into the computer system by the corporate office. He stated the acquisition violations occurred before he started working at that location. He stated he would ensure all future acquisitions are properly entered.

Corrective action:

FIREARMS INSPECTION REPORT

Name: EZPawn Arizona Inc.
Trade Name: USA Pawn and Jewelry

UI#: 785090-2016-0139
FFL#: 9-86-019-02-7B-07035

IOI (b)(6) instructed the RP to ensure firearm acquisition information is properly and completely recorded in the A&D Record. IOI (b)(6) also instructed the RP to ensure firearm disposition information is properly and completely recorded in the A&D Record.

Reference Worksheet 1 – Inventory, A&D, Exhibit #1 – A&D Record with violations of 27 CFR 478.125(e) and ATF Form 5030.5, Amended Report of Violations.

X

(b)(6)

Industry Operations Investigator

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4. ATF Forms 4473 with violation of 27 CFR 478.124(c)(1)
5. ATF Forms 4473 with violation of 27 CFR 478.124(c)(3)(i)
6. ATF Forms 4473 with violation of 27 CFR 478.124(c)(3)(iv)
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