

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) MAYO AUCTION & REALTY INC MAYO AUCTION & REALTY 16513-16515 CORNERSTONE DR BELTON, MO 64012, CASS		2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 779075-2017-0048-B1B																																																
		3. PERMIT/LICENSE NUMBER 543037017D05187	4a. TARGET DATE 9/30/2017	4b. TARGET HOURS																																														
5. REQUESTED BY (SIGNATURE, TITLE AND DATE)																																																		
6. ATF OFFICER(S) ASSIGNED (b)(6) - Assigned Investigator (b)(6) - Lead Investigator																																																		
7. ASSIGNED BY (SIGNATURE, TITLE AND DATE) (b)(6), Area Supervisor, 10/03/2016																																																		
8. PURPOSE/SPECIAL INSTRUCTIONS RECALL																																																		
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td colspan="2" style="width: 20%;">9. INSPECTION RESULTS</td><td colspan="2" style="width: 40%;"><input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC</td><td colspan="2" style="width: 40%;">10. TRAVEL EXPENSES (OPTIONAL)</td></tr><tr><td style="width: 20%;">NO. OF VIOLATIONS</td><td style="width: 20%;">4</td><td style="width: 20%;">NO. OF REFERRALS</td><td style="width: 20%;"></td><td style="width: 20%;">2111 - PER DIEM</td><td style="width: 20%;"></td></tr><tr><td>NO. OF TECS CHECKS</td><td></td><td>NO. OF TECS HITS</td><td></td><td>2112 - P.O.A.</td><td></td></tr><tr><td rowspan="2">NO. OF TAX ADJUSTMENTS</td><td rowspan="2"></td><td>\$ VALUE OF TAX INCREASES</td><td></td><td>2113 - COMM. AIR</td><td></td></tr><tr><td>\$ VALUE OF TAX DECREASES</td><td></td><td>2114 - RENTAL CAR</td><td></td></tr><tr><td>NO. OF ASSESSMENTS</td><td></td><td>\$ VALUE OF ASSESSMENTS</td><td></td><td>2115 - GPV EXPENSES</td><td></td></tr><tr><td>NO. OF CLAIMS</td><td></td><td>\$ VALUE OF CLAIMS</td><td></td><td>2116 - MISC.</td><td></td></tr><tr><td>NO. OF TAX PERIODS</td><td></td><td>\$ VALUE OF TAXES VERIFIED</td><td></td><td>TOTAL \$ FOR INSP.</td><td></td></tr></table>					9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)		NO. OF VIOLATIONS	4	NO. OF REFERRALS		2111 - PER DIEM		NO. OF TECS CHECKS		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: 04/28/2017 Viols WL ONLY and Recall Inspection																																																		
12. TIME ACCOUNTING DATA																																																		
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b)(6) APR 2017 9.00																																																		
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SIGNATURE AND TITLE (b)(6) - Area Supervisor			REVIEW DATE 05/01/2017																																															

Assignment and Report

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	3. PERMIT/LICENSE NUMBER 543037017D05187	4a. TARGET DATE 9/30/2017	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

Viols WL ONLY and Recall Inspection

☒ REVIEWED

☒ CONCUR

☐ SEE COMMENTS

☒ FINAL DISPOSITION

SIGNATURE AND TITLE

WLBOWERS - Director Industry Operations

REVIEW DATE

05/04/2017

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 MAYO AUCTION & REALTY INC MAYO AUCTION & REALTY	Street Address 16513-16515 CORNERSTONE DR	City BELTON	State MO	Zip Code 64012-	County CASS	Page 1 of 2 Pages
License/Permit/Registry Number <i>(If any)</i> 543037017D05187		Expiration Date 4/1/2020		Date(s) or Period of Inspection 04/04/2017 through 04/04/2017		

Inspection Results

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

Number: 1	Date Corrections to be Made: <i>(If not corrected immediately)</i>
Nature of Violation: On <input type="checkbox"/> instances the licensee recorded an acquisition that did not take place. On <input type="checkbox"/> instances the licensee recorded the acquisition of the same firearm twice. On <input type="checkbox"/> instances the licensee failed to record the disposition.	Corrective Action to be Taken: Corrected during the inspection. <i>(If not corrected immediately)</i>
Citation: 27 CFR 478.125(e)	
Number: 2	Date Corrections to be Made: <i>(If not corrected immediately)</i>
Nature of Violation: On <input type="checkbox"/> instance the licensee transferred to someone who indicated “not actual buyer”.	Corrective Action to be Taken: Violation uncorrectable. <i>(If not corrected immediately)</i>
Citation: 27 CFR 478.21(a)	
Number: 3	Date Corrections to be Made: <i>(If not corrected immediately)</i>
Nature of Violation: On <input type="checkbox"/> instance the licensee transferred prior to the 3 day wait.	Corrective Action to be Taken: Violation uncorrectable. <i>(If not corrected immediately)</i>
Citation: 27 CFR 478.102(a)(2)(ii)	

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.

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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: 4

Nature of Violation:
On 1 instances the licensee failed to obtain an accurate date of certification.

Citation: 27 CFR 478.124(c)(1)

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

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

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

For Official Use Only

October 9 2019 Production

596

ATF E-Form 5030 5
Revised April 2005

Kansas City, MO 64116
May 1, 2017

CERTIFIED MAIL – Return Receipt Requested

MAYO AUCTION & REALTY, INC.
16513 CORNERSTONE DR
BELTON, MO 64012

RE: 5-43-05187

Dear Mr. Mayo:

During a recent compliance inspection at your firearms business covering the period of April 4, 2016 through April 4, 2017, you were cited for violations of 27 Code of Federal Regulations, Part 478.

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

Should you have any questions regarding this matter, please contact Investigator (b)(6) at (816) 410-6000.

Sincerely yours,

(b)(6)
Area Supervisor, KC VI

FIREARMS INSPECTION REPORT

Name: Mayo Auction & Reality Inc.
Trade Name: Mayo Auction & Reality

UI#: 779075-2017-0048
FFL#: 5-43-05187

Address: 16513 Cornerstone Dr.
Belton, MO 64012

1 - Introduction

Inspection Profile:

On April 4, 2017, IOI (b)(6) and IOI (b)(6) arrived for an unannounced recall inspection. Owner Robert Mayo (MODL (b)(6)) and office clerk (b)(6) assisted with the inspection. The inspection focused on the 12 months preceding the inspection.

Business Profile:

Mayo Auction & Realty operates an auction business including estate auctions and consignment auctions. Firearms, as well as household items, office furniture, automobiles, farm equipment, collectibles, land, and homes, are sold. The items are sold during in-person auctions as well as the on-line auctions. The licensee utilizes the internet for most auctions, using their website (www.auctionbymayo.com) to take and process bids. A standing inventory is not maintained, but the licensee will handle both long guns and handguns. The licensee conducts transfers. The licensee does not deal NFA, sell black powder, sell at gun shows, reload ammunition, or repair firearms. The licensee acquired (b)(4) and disposed of (b)(4) firearms in the 12 months preceding the inspection.

Licensee was in possession of MO Sales Tax (b)(4) - 26 USC 6103 and Belton Business License #1887. The license is appropriate for the activities observed.

Ownership and Control:

Mayo Auction & Realty Inc. is a registered corporation with the Missouri Secretary of State's Office in good standing. Robert Mayo is the listed corporate president and Reynoldo Gabriel is the corporate secretary. As documented in a previous inspection, Mayo Auction & Realty was incorporated in the State of Kansas. When the company moved to Missouri, the registration as a foreign corporation necessitated the addition of "KC" to the company name. Mayo Auction & Realty KC Inc. is one and the same company as Mayo Auction & Realty Inc.

Variance:

No variances are utilized by this dealer.

2 - Recommendation

Violations, Warning Letter only and Recall Inspection

FIREARMS INSPECTION REPORT

Name: Mayo Auction & Reality Inc.
Trade Name: Mayo Auction & Reality

UI#: 779075-2017-0048
FFL#: 5-43-05187

3 - Inspection History

Date of Inspection: March 2016
Type of Inspection: Compliance Inspection
UI#: 779075-2016-0123
Inspection Results: Violations, ROV only and Recall Inspection
Cited Violations: 27CFR478.125(e) – not logged out (b)(3) duplicate entry (b)(3)
27CFR478.124(c)(4) – firearm info incomplete (b)(3)
27CFR478.124(c)(5) – incorrect date of transfer (b)(3)
27CFR478.126a – multiple sales not reported (b)(3)

Date of Inspection: February 2015
Type of Inspection: Compliance Inspection
UI#: 779075-2015-0282
Inspection Results: Violations, ROV only and Recall Inspection
Cited Violations: 27CFR478.125(e) – firearm acquisitions not recorded (b)(3)
27CFR478.126a – multiple sales not reported (b)(3)
27CFR478.99(c) – buyer certified they were prohibited (b)(3)
27CFR478.124(c)(1) – Section A incorrect/incomplete (b)(3)
27CFR478.124(c)(3)(i) – I.D. blank (b)(3)
27CFR478.124(c)(4) – firearm info incomplete (b)(3)

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

The licensee uses a computerized A&D software program for the A&D Record. A full inventory was conducted revealing 452 firearms in inventory. The firearms in inventory were compared to the (b)(3)-112 open entries in the A&D Record, revealing (b)(3) discrepancies.

The discrepancies were primarily caused by firearms received from OMB Guns (5-48-01607). OMB Guns is going out of business and using Mayo to auction the firearms inventory and fixtures from the business. Most of the 452 firearms in inventory were received from OMB. These firearms were picked up from OMB in multiple deliveries over a couple of weeks. OMB provided a list of all the firearms they intended to transfer to Mayo. A Mayo employee confirmed the firearms were received by placing a checkmark next to the firearm on the list at the time of acquisition. This list was used to log the firearms in the A&D Record. The same lists were used for some or all of the different shipments. Additionally, the employee making the checkmarks on the list was not the same employee who logged the firearms in the A&D Record. Because of this, as well as poor communication, (b)(3) firearms were logged into the A&D Record that were not actually received. An additional (b)(3) firearms were logged in twice. (**Violation 1**)

FIREARMS INSPECTION REPORT

Name: Mayo Auction & Reality Inc.
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UI#: 779075-2017-0048
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Unrelated to the OMB firearm listed above, the licensee had not recorded the disposition of ten firearms from the previous auction on March 9, 2017. **(Violation 1)**

█ firearms were traced from the ATF F 4473 to the A&D Record with no discrepancies. Commercial invoices were not available for inspection.

See **Worksheet 1**

5 - ATF Forms 4473 – NICS & Other Dispositions

All █ ATF F 4473s on file for the 12 months preceding the inspection were reviewed. All 38 NTN's from the FFL Audit Report were compared to the ATF F 4473s with no discrepancies.

On █ instance a firearm was transfer to a purchaser who indicated they were not the actual purchaser of the firearm. **(Violation 2)**

On █ instance the licensee transferred a firearm prior to obtaining a “proceed” from NICS or waiting three business days. **(Violation 3)** The licensee insisted that the firearm would not have been transferred early. Ms. Cutler surmised that NICS had to have called back with a “proceed” and that the NICS response did not get noted on the form, or that the date of transfer was incorrect. Due to the limitations on the historical NICS data, it could not be determined when/if NICS provided a proceed response. Because of this, the violation is being cited per the information on the ATF F 4473.

On █ instances the licensee failed to obtain an accurate date of certification by the buyer of the firearm. **(Violation 4)**

See **Worksheet 2**

6 - Multiple Sales

Per the Trace History Report, the licensee reported █ multiple handgun sales in the 12 months preceding the inspection. No unreported multiple handgun sales was discovered.

7 - Suspicious/Prohibited Purchasers

No suspicious purchasers were noted.

8 - Trace Activity

Per the Trace History Report, █ firearms were traced to this dealer in the 12 months preceding the inspection. All traces were successful.

FIREARMS INSPECTION REPORT

Name: Mayo Auction & Reality Inc.
Trade Name: Mayo Auction & Reality

UI#: 779075-2017-0048
FFL#: 5-43-05187

9 - NFA/Importer/Collector/Manufacturer

N/A

10 - Referrals

No referrals were made as a result of this inspection.

11 - Other

Licensee had a Youth Handgun poster and a notices. Licensee offers secure gun storage/safety devices for sale and supplies them on handgun transfers.

12 - Closing Actions

On April 4, 2017 a closing conference was held with Mr. Mayo. All applicable regulations listed on the Acknowledgment of Federal Firearms Regulations (**Exhibit 1**) were reviewed with the licensee. The licensee was encouraged to contact the Kansas City Field Office for any further guidance.

The Report of Violations was presented to Mr. Mayo and discussed. The licensee stated that the violations were understood and received a file copy.

13 - Violations

1. **27 CFR 478.125(e) – Repeat Violation (2015 & 2016)**

Nature of violation:

On [REDACTED] instances the licensee recorded an acquisition that did not take place. On [REDACTED] instances the licensee recorded the acquisition of the same firearm twice. On [REDACTED] instances the licensee failed to record the disposition.

Licensee's response:

Ms. Cutler indicated that the employee used to record which firearms were received did not communicate well, and the firearm lists were incorrectly entered. She also indicated that the quantity of firearms was so great that it was difficult to actually physically inventory the firearms, despite having weeks since the original acquisition.

Corrective action:

Corrected during the inspection.

FIREARMS INSPECTION REPORT

Name: Mayo Auction & Reality Inc.
Trade Name: Mayo Auction & Reality

UI#: 779075-2017-0048
FFL#: 5-43-05187

2. **27CFR478.21(a)**

Nature of Violation:

On [REDACTED] instance the licensee transferred to someone who indicated “not actual buyer”.

Licensee’s Response:

The licensee acknowledged the violation without comment.

Corrective Action:

Violation uncorrectable.

3. **27 CFR 478.102(a)(2)(ii)**

Nature of violation:

On [REDACTED] instance the licensee transferred prior to the 3 day wait.

Licensee’s response:

The licensee insisted that the firearm would not have been transferred early. Ms. Cutler surmised that NICS had to have called back with a “proceed” and that the NICS response did not get noted on the form, or that the date of transfer was incorrect.

Corrective action:

Violation uncorrectable.

4. **27 CFR 478.124(c)(1) – Repeat Violation (2015)**

Nature of violation:

On [REDACTED] instances the licensee failed to obtain an accurate date of certification.

Licensee’s response:

The licensee acknowledged the violation without comment.

Corrective action:

Violation uncorrectable.

5.

6.

FIREARMS INSPECTION REPORT

Name: Mayo Auction & Reality Inc.
Trade Name: Mayo Auction & Reality

UI#: 779075-2017-0048
FFL#: 5-43-05187

X

Industry Operations Investigator

Index of Worksheets and Exhibits

Worksheet 1 – Inventory and A&D Review Worksheet

Worksheet 2 – ATF Form 4473 Review Worksheet

Exhibit 1 – Acknowledgment of Federal Firearms Regulations