

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Pat's Pawn & Gun Shop, Inc. 506 Riley St. Ogden, KS 66517, RILEY	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 779025-2017-0143-B1B			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">3. PERMIT/LICENSE NUMBER 548161028M02103</td> <td style="width: 33%;">4a. TARGET DATE 9/15/2017</td> <td style="width: 33%;">4b. TARGET HOURS</td> </tr> </table>	3. PERMIT/LICENSE NUMBER 548161028M02103	4a. TARGET DATE 9/15/2017	4b. TARGET HOURS
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	5. REQUESTED BY (SIGNATURE, TITLE AND DATE) 10/01/2016			

6. ATF OFFICER(S) ASSIGNED

(b)(6) - Lead Investigator
(b)(6) - Assigned Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)

(b)(6), Area Supervisor, 10/03/2016

8. PURPOSE/SPECIAL INSTRUCTIONS

Compliance. Kansas Priority 2. Demand Letter 2.

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.

11. ATF OFFICER'S RECOMMENDATION

Submitted by (b)(6) - Industry Operations Investigator

Submitted on: 02/24/2017

Viols WL ONLY and Recall Inspection

12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b)(6)	
JAN 2017	10.00		
FEB 2017	24.00		
ATF OFFICER'S SUBTOTAL	34.00	ATF OFFICER'S SIGNATURE	
TOTAL HOURS	34.00		

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

JUSTIFICATION: Inspection meets the standard for Warning Letter per the Administrative Action Policy (ATF O 5370.1C). The licensee was cited for failing in (b)(6) instances (14%) to timely record firearm dispositions in the A&D record – WL at Sec 6(c)(2); and for failing timely report a firearm theft/loss to ATF – WL at Sec. 6(c)(16).

Warning Letter sent 2/27/2017.
Recall Staged for FY 2020.

PII sent 2/27/2017.

Viols WL ONLY and Recall Inspection

REVIEWED
 CONCUR
 SEE COMMENTS
 FINAL DISPOSITION

SIGNATURE AND TITLE (b)(6) - Area Supervisor	REVIEW DATE 02/27/2017
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	3. PERMIT/LICENSE NUMBER 548161028M02103	4a. TARGET DATE 9/15/2017	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE) 10/01/2016		

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 Pat's Pawn & Gun Shop, Inc.	Street Address 506 Riley St.	City Ogden	State KS	Zip Code 66517-	County RILEY	Page 1 of 2 Pages
License/Permit/Registry Number <i>(If any)</i> 548161028M02103	Expiration Date	Date(s) or Period of Inspection 01/31/2016 through 01/31/2017				

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 record acquisitions and dispositions in the A&D book. On [REDACTED] instances the licensee failed to record the disposition of a firearm. The firearm was open in the A&D book, but not in inventory. [REDACTED] were found sold on an ATF F 4473 [REDACTED] were transferred to another FFL, and [REDACTED] was stolen and not logged out)

Also, the licensee never started an inventory/ new A&D record when continuing a business from another FFL in 2009.

Citation: 27 CFR 478.125(e)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken: Licensee is to update and correct the A&D book.

(If not corrected immediately)

Number: 2

Nature of Violation:

Failure of transferee (Customer) to certify the ATF F 4473. On [REDACTED] instance the transferee left a question to a prohibiting category blank. (b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

Citation: 27 CFR 478.124(c)(1)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken: Licensee is to ensure the ATF F 4473 is accurately and entirely completed prior to the transfer of a firearm.

(If not corrected immediately)

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 Pat's Pawn & Gun Shop, Inc.	Street Address 506 Riley St.	City Ogden	State KS	Zip Code 66517-	County RILEY	Page 2 of 2 Pages
License/Permit/Registry Number <i>(If any)</i> 548161028M02103		Expiration Date	Date(s) or Period of Inspection 01/31/2016 through 01/31/2017			

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 report the multiple sale of handguns to the same person within 5 business days. On ^{(b)(3)} instances the licensee transferred ^{(b)(3)} firearms to the same person within 5 days and did not complete the ATF F 3310.4. **(b)(3) 112 Public Law 55 125 STAT 552 (b)(6)**

Also, ATF F 3310.4 for transactions that were reported were not attached to the effected ATF 4473.

Citation: 27 CFR 478.126a

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken: Licensee is to complete ATF F 3310.4 for the effected

(If not corrected immediately) transfers.

Number: 4

Nature of Violation:

Failure to report the theft/loss of a firearm to ATF. Licensee reported the theft of a ^{(b)(3) 112 Public Law} **(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)** but did not report it to ATF F 3310.11 to ATF.

Citation: 27 CFR 478.39a

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken: Licensee is to report the theft to ATF on ATF F 3310.11.

(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



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Kansas City Field Division – KC III (Regulatory)

1251 NW Briarcliff Pkwy, Ste 600
Kansas City, MO 64116
www.atf.gov

February 27, 2017

779025: (b)(6)
5373

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Pat's Pawn & Gun Shop, Inc.
Attn: Mr. Leo R. Kidd, Responsible Person
Attn: Mr. Ryan Kidd, Manager
506 Riley St.
Ogden, KS 66517

RE: 5-48-161-02-8M-02103

Dear Sirs:

This letter summarizes the issues discussed with you during the recent compliance inspection conducted on January 31, 2017 through February 2, 2017, related to the Federal firearms license held by Pat's Pawn Shop. The inspection covered the period of January 31, 2016 through January 31, 2017. During the inspection, your company was cited for violations of Title 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 (b)(6). You indicated that you understood the requirements of the firearms laws and regulations. Additionally, you assured IOI (b)(6) that your company would take action to prevent future violations.

The records your company is required to maintain 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 company's firearms activities as a licensed firearms pawnbroker/dealer. This is critical to ATF 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.

Pat's Pawn & Gun Shop, Inc.
Attn: Mr. Leo R. Kidd, Responsible Person
Attn: Mr. Ryan Kidd, Manager
Page 2

You are reminded that retention of your company's Federal firearms license is conditioned upon its 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 the license. Please contact the ATF Kansas City Group III Office if you have any questions regarding this matter at (816) 410-6000.

Sincerely,

A large black rectangular redaction box covering the signature area. The text "(b)(6)" is printed in white, bold, sans-serif font across the center of the redaction.

Area Supervisor
Industry Operations (Kansas)
Kansas City Group III (Regulatory)
Kansas City Field Division

cc: National Licensing Center
Director of Industry Operations

FIREARMS INSPECTION REPORT

Name: Pats Pawn & Gun Shop INC
Trade Name:

UI#: 779025-2017-0143-B1B
FFL#: 5-48-01-02103

Address: 506 Riley Street
Ogden, KS 66517

1 - Introduction

Inspection Profile:

Investigators (b)(6) conducted a compliance inspection on January 31, 2017. Investigators met with Ryan Kidd, Manager of Pats Pawn & Gun Shop INC. The inspection covered the period from 1/31/2016 to 1/31/2017. No advanced notification was given prior to the inspection.

Investigator (b)(6) verified Ryan Kidd's identity with his Kansas Driver's License, (b)(6) expiration 9/6/2017. There were no significant findings in Etrace. There were no findings in NFORCE.

Business Profile:

The business maintains a Type 02 Pawnbroker of Firearms license. However, Kidd stated that they no longer do any pawn business, but just straight sales of firearms. The business is a storefront, commercial building located in inside the City Limits of downtown Ogden, KS in Riley County, KS. The company has held this license since 2009. (See Exhibit #1)

Kidd stated that although the company has a pawn license, they have chosen not to do in pawning for the last several years because they weren't making any money off of it. Kidd stated that the company's main business is buying and selling firearms, military equipment and accessories, firearms ammunition and holsters, and a little bit of precious metals. Kidd estimated that the firearms business was about (b)(4) of the overall business. Kidd stated that besides the buying and selling of new and used firearms, that he also does special order and transfers for customers that purchase firearms online. The business' main suppliers are (b)(4). Kidd stated that they prefer to take used guns in on trade. He thought that (b)(4) of firearms were used and only (b)(4) new. Kidd thought (b)(4) of his sales were handguns, and only (b)(4) long guns. Kidd stated that he does not sell at gun shows. He stated that he only occasionally lists firearms for sale online; only if they are hard to sell in the store. He thought he had done 5-6 in the last year. When he does sell online he uses gunbroker.com. He stated that he has no interest in NFA firearms. He does not conduct any gunsmith activities. He does not have a company website, but uses Facebook to advertise. Kidd stated that the only other advertising is done through phonebook, an advertisement at the gun range, and word of mouth.

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Name: Pats Pawn & Gun Shop INC
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UI#: 779025-2017-0143-B1B
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The license held is appropriate for the business. Licensee is in compliance with all state/local laws. There is no offsite storage of records or firearms.

Ownership and Control:

The business is a corporation headed by Debra and Leo Kidd. The corporation is in good standing with the Kansas Secretary of State. The Kidd's son, Ryan Kidd, runs the daily operations of the business and is there on a daily basis. Leo Kidd is not normally in the store. However, Leo and Debra Kidd are the only people listed as responsible persons on the license. Investigator (b)(6) informed Ryan and Leo Kidd that Ryan would need to be added as a responsible person to the license since he has actual control over the business. They both agreed that he would be added. (See Exhibit #1 and #2)

There are no other employees for the firearms license. There have been no changes in control. There are no other responsible persons listed or identified. There was no hidden ownership detected. (See Exhibit #1)

Ryan Kidd is responsible for all the day to day business operations, decisions, and recordkeeping.

Variance:

There are no variances held and none were requested.

2 - Recommendation

Violations WL ONLY and Recall Inspection

3 - Inspection History

Date and Type of Inspection: October 2009, Application Inspection
UI#: 779025-2010-0050-B1B
Inspection Results: Application Approved
Violations: None

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

The company keeps a handwritten A&D book. The A&D book meets the formatting requirements of 27 CFR 478.125(e). The company has acquired of approximately (b)(4) firearms and disposed of approximately (b)(4) firearms within the inspection period.

There were (b)(6) open entries in the A&D and 238 firearms in inventory. On (b)(6) instances

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Name: Pats Pawn & Gun Shop INC
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the licensee failed to record the disposition of a firearm. The firearms were open in the A&D book, but not in inventory. [REDACTED] were found sold on an ATF F 4473, [REDACTED] were transferred to another FFL, and [REDACTED] was stolen and not logged out) (See Violation #1, Worksheets, and Exhibit #3)

The A&D book was corrected and updated at the time of inspection.

Also, the licensee never started an inventory/ new A&D record when continuing a business from another FFL in 2009. (See Violation #1)

There were no reports of thefts or losses for the past year. However, while reconciling the A&D book, Investigator (b)(6) found that the licensee failed to report the theft/loss of a firearm to ATF. Licensee reported the theft of a [REDACTED] (b)(3) - 112 Public Law 55 125 Stat 552 to the local PD (Riley County) on 12/13/12, but did not report it to ATF F 3310.11 to ATF. (See Violation #3, Worksheets, and Exhibit #4)

Kidd reported the firearm missing at the time of inspection. (See Exhibit #5)

Ryan Kidd is in charge of logging all firearm in and out of the A&D book. He is the main one who makes entries in and out of the A&D book. Leo Kidd will occasionally help out. However, there is no double check system. Kidd stated that they keep all handguns locked up at night and that the business has camera and alarm with motion sensors. Kidd also noted that the company normally does an inventory once a year but that it has been awhile.

Kidd noted that he has been taking the serial number of the box/ invoice and not the actual firearm itself. Investigator (b)(6) informed Kidd the importance of taking the serial number of the gun itself and making sure to double check the accuracy.

There were no trafficking issues found while reviewing the A&D book. Also, there were no firearms with obliterated serial numbers or illegal firearms found.

5 - ATF Forms 4473 – NICS & Other Dispositions

There were [REDACTED] ATF Form 4473's on file for the inspection period. ATF F 4473 are kept chronologically by the date of transfer.

While reviewing ATF F 4473s Investigator (b)(6) found that the licensee failed to have the transferee (Customer) certify the ATF F 4473. On [REDACTED] instance the transferee left a question to a prohibiting category blank. (See Violation #2, Worksheets, and Exhibit #6)

A sample of ATF F 4473s were traced from the licensee's records from A&D book to

FIREARMS INSPECTION REPORT

Name: Pats Pawn & Gun Shop INC
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4473. There were no discrepancies.

Ryan Kidd stated that he is the main one who completes the 4473s and NICS checks. Leo Kidd will occasionally help out as well. There is no double check system. Kidd accepts the Kansas Concealed Carry permit in lieu of a NICS check. Approximately 25% of forms used the state permit in lieu of NICS. All transactions are called into NICS; he does not use NICS echeck.

Investigator (b)(6) discussed the new ATF F 4473 and its effective date in mid-January 2017 and instructed Kidd to make sure he was using the new version of the ATF F 4473.

There were no transfers to law enforcement officers for official duty. All copies of FFLs for transfers to other FFLs were on file. There were 25 transferred NTN's on the ATF FFL Audit Log for the inspection period. However, only 23 of the NTN's were found on ATF F 4473s. There were 2 NTN number on the audit log without corresponding ATF F 4473s. There was no denied transactions for the inspection period on the FFL Audit Log. (See Exhibit #7)

6 – Multiple Sales

Per VCAB, there were [redacted] multiple sale reported for the inspection period. However, there were [redacted] unreported multiple sales. On [redacted] instances the licensee transferred [redacted] firearms to the same person within 5 days and did not complete the ATF F 3310.4. (See Violation #3, Worksheets, and Exhibit #8 and #9)

Both multiple sales were completed at the time of inspection.

Also, ATF F 3310.4 for transactions that were reported were not attached to the effected ATF 4473. (See Violation #3)

ATF 3310.4's were attached at the time of inspection.

7 – Suspicious/Prohibited Purchasers

There were no suspicious/ prohibited purchasers found for the inspection period.

8 – Trace Activity

Per VCAB, there were [redacted] trace requests for the inspection period. [redacted] of the trace requests were successfully completed by the dealer. There was [redacted] unsuccessful trace, but the records were over 20 years old. There were no other NCIC/ TECS checks completed. (See Exhibit #8)

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Licensee is required by Riley County PD to report all used firearms taken in on trade or bought to LEADS ONLINE.

9 - NFA/Importer/Collector/Manufacturer

Not applicable.

10 - Referrals

There were no referrals made.

11 - Other

Licensee had the Youth Handgun Safety Act pamphlets, but did not have the YHSA poster displayed. Investigator (b)(6) gave Kidd a poster and told him to display it. The business did have the FFL posted. Licensee does not sell exploding targets.

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

12 - Closing Actions

On February 1, 2017, Investigator (b)(6) met with Ryan Kidd, Manager of Pats Pawn & Gun Shop INC, and Leo Kidd, President of Pats Pawn & Gun Shop INC. Leo Kidd was identified with his Kansas Driver's License (b)(6), expiration 7/10/2018. Record keeping regulations and requirements were reviewed, and the following documents were discussed:

1. ATF F 4473
2. Nonimmigrant Aliens Guidelines
3. NICS E-Check
4. NICS Appeal
5. NICS Voluntary Appeal File
6. FFL Record Keeping
7. Acquisition & Disposition Format
8. Open Letter to FFL's, re: EZ Check
9. Newsletter, re: Computerized Records
10. Customer Service Information
11. Theft/Loss Report
12. Multiple Sales
13. Phone Numbers
14. Safety and Security Information for FFLs
15. Child Safety Lock Act of 2005

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Trade Name:

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Kidd indicated an understanding of the Gun Control Act's (GCA) recordkeeping and business conduct requirements. Kidd completed and signed the Acknowledgement of Federal Firearms Regulations. Investigator (b)(6) informed Kidd that he could find more information about regulations and record keeping online at atf.gov. (See Exhibit #10)

13 - Violations

1. 27 CFR 478.125(e)

Nature of Violation: Failure to record acquisitions and dispositions in the A&D book. On (b)(3) instances the licensee failed to record the disposition of a firearm. The firearm was open in the A&D book, but not in inventory. (b)(3) were found sold on an ATF F 4473, (b)(3) were transferred to another FFL, and (b)(3) was stolen and not logged out)

Also, the licensee never started an inventory/ new A&D record when continuing a business from another FFL in 2009.

Corrective Action: Licensee is to update and correct the A&D book.

Licensee's Response: Licensee stated that he knew he was behind logging firearms out of the A&D book.

2. 27 CFR 478.124(c)(1)

Nature of Violation: Failure of transferee (Customer) to certify the ATF F 4473. On (b)(3) instance the transferee left a question to a prohibiting category blank. (b)(3) - 112 Public Law 55 125 Stat 5

Corrective Action: Licensee is to ensure the ATF F 4473 is accurately and entirely completed prior to the transfer of a firearm.

Licensee's Response: Licensee was surprised he had missed the blank answer.

3. 27 CFR 478.126a

Nature of Violation: Failure to report the multiple sale of handguns to the same person within 5 business days. On (b)(3) instances the licensee transferred (b)(3) firearms to the same person within 5 days and did not complete the ATF F 3310.4. (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

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

Also, ATF F 3310.4 for transactions that were reported were not attached to the effected ATF 4473.

Corrective Action: Licensee is to complete ATF F 3310.4 for the effected transfers.

Licensee's Response: Licensee was surprised he missed the ^(b) unreported multiple sales. He stated that he was not aware of the requirement to keep the ATF F 3310.4 with the 4473.

4. 27 CFR 478.39a

Nature of Violation: Failure to report the theft/loss of a firearm to ATF. Licensee reported the theft of a (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) to the local PD (Riley County) on 12/13/12, but did not report it to ATF F 3310.11 to ATF.

Corrective Action: Licensee is to report the theft to ATF on ATF F 3310.11.

Licensee's Response: Licensee stated that he thought he had notified ATF, but had no record of it, neither did ATF.

X

(b)(6)

Industry Operations Investigator

Index of Worksheets and Exhibits

- Exhibit 1- FLS Printout
- Exhibit 2- KS Sec State
- Exhibit 3- A&D pics
- Exhibit 4- PD theft loss report
- Exhibit 5- report theft to ATF
- Exhibit 6- 4473 blank answer

FIREARMS INSPECTION REPORT

Name: Pats Pawn & Gun Shop INC
Trade Name:

UI#: 779025-2017-0143-B1B
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Exhibit 7- FFL Audit Log

Exhibit 8- VCAB

Exhibit 9- MS pics

Exhibit 10- Acknowledgement of Federal Firearms Regulations