

## Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY)  Precision Tactical Firearms LLC 47 Glacier Edge Square Cross Plains, WI 53528, Dane	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 778025-2017-0158-B1B		
	3. PERMIT/LICENSE NUMBER 339025078G05741	4a. TARGET DATE 9/22/2017	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

6. ATF OFFICER(S) ASSIGNED  
(b)(6) - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)  
(b)(6), Area Supervisor, 10/03/2016

8. PURPOSE/SPECIAL INSTRUCTIONS  
Conduct a manufacturer of firearms DE compliance inspection.

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	1	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	1	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: 01/17/2017  
Alternate Recommendation. IOI (b)(6) is requesting an Alternate Recommendation of Violations WL ONLY and Recall Inspection for Precision Tactical Firearms LLC. This is the licensee's first compliance inspection since being licensed in 06/2012.

The inspection period ranged from 12/08/15-12/29/16. The rate of untimely dispositions would be 8.2% for the inspection period. Although, IOI (b)(6) went back to 2012 for the firearms reconciliation, which increased the untimely disposition rate to 10.3%. IOI (b)(6) and RP and Owner; Mr. Peter Kraemer discussed strategies to correct the untimely firearm disposition issue.

Prior to the inspection, the licensee's sales floor employees had been correctly and accurately completing the ATF Forms 4473, which were kept in the front section of the store. A different employee's responsibility was to take the ATF Forms 4473 on a weekly basis to the back office and record the disposed firearms in the Acquisition and Disposition record. This step was not being completed in a timely fashion, thus accounting for the high rate of untimely dispositions. RP and Owner; Mr. Peter Kraemer stated that new internal controls have been implemented for the ATF Forms 4473 to be transferred from the sales floor to the back office each night for the timely disposition entries to be recorded in the A&D record.

IOI (b)(6) examined all (b)(3) - 112 Public Law 55 125 Stat 552 ) ATF Forms 4473 for the inspection period. No errors or omissions were discovered. The licensee has a double check system in place for the review of all ATF Forms 4473 prior to filing.

The reconciliation of firearms from the physical inventory to the A&D record indicated that there were (b)(3) - 112 Public Law 55 missing firearms. RP and Owner; Mr. Peter Kraemer does not believe the firearms to be stolen and he and his staff will continue to review all ATF Forms 4473 for the firearms in question. An ATF Theft/Loss report was filed on 12/29/16. Since the report had been filed, Mr. Kraemer stated that he has located (b)(3) - 112 Public Law 55 of the missing firearms and reported the recovered firearm to the ATF Tracing Center.

IOI (b)(6) stressed the importance of performing internal audits of inventory, forms, and records. IOI (b)(6) also stressed the importance of timely and correctly recording disposed firearms in the A&D record for traceability purposes. Mr. Kraemer stated that he is confident that the business will be in compliance for all future inspections.

Viols WL ONLY and Recall Inspection

### 12. TIME ACCOUNTING DATA

ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
NOV 2016	1.00
DEC 2016	89.00

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### 12. TIME ACCOUNTING DATA

ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b)(6)	
JAN 2017	6.00
ATF OFFICER'S SUBTOTAL	96.00
ATF OFFICER'S SIGNATURE	
TOTAL HOURS	96.00

### 13. REVIEW AND ROUTING

#### REVIEW COMMENTS AND RECOMMENDATION

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Prior to the inspection, the licensee's sales floor employees had been correctly and accurately completing the ATF Forms 4473, which were kept in the front section of the store. A different employee's responsibility was to take the ATF Forms 4473 on a weekly basis to the back office and record the disposed firearms in the Acquisition and Disposition record. This step was not being completed in a timely fashion, thus accounting for the high rate of untimely dispositions. RP and Owner; Mr. Peter Kraemer stated that new internal controls have been implemented for the ATF Forms 4473 to be transferred from the sales floor to the back office each night for the timely disposition entries to be recorded in the A&D record.

IOI (b)(6) examined all (b)(3) - 112 Public Law 55 125 Stat 552 ATF Forms 4473 for the inspection period. No errors or omissions were discovered. The licensee has a double check system in place for the review of all ATF Forms 4473 prior to filing.

The reconciliation of firearms from the physical inventory to the A&D record indicated that there were (b)(3) 112 Public Law missing firearms. RP and Owner; Mr. Peter Kraemer does not believe the firearms to be stolen and he and his staff will continue to review all ATF Forms 4473 for the firearms in question. An ATF Theft/Loss report was filed on 12/29/16. Since the report had been filed, Mr. Kraemer stated that he has located (b)(3) 112 Public Law of the missing firearms and reported the recovered firearm to the ATF Tracing Center. AS (b)(6).

Viols WL ONLY and Recall Inspection

☒ REVIEWED ☒ CONCUR ☒ SEE COMMENTS ☒ FINAL DISPOSITION

SIGNATURE AND TITLE (b)(6) - Area Supervisor	REVIEW DATE 01/18/2017
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#### REVIEW COMMENTS AND RECOMMENDATION

Although the missing firearms and disposition errors warrant consideration of a Warning Conference, the untimely disposition entries appear to be the result of internal controls that are being addressed by the licensee. Based on this corrective action a Warning Letter and Recall is appropriate.

Viols WL ONLY and Recall Inspection

☒ REVIEWED ☒ CONCUR ☒ SEE COMMENTS ☐ FINAL DISPOSITION

SIGNATURE AND TITLE HCHUMMEL - Director, Industry Operations	REVIEW DATE 01/18/2017
---	---------------------------

#### 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	Street Address	City	State	ZIP Code	County	Page <u>1</u> of <u>1</u>
Precision Tactical Firearms LLC	47 Glacier Edge Square	Cross Plains	WI	53528	Dane	1 Pages
License/Permit/Registry Number (if any)		Expiration Date	Date(s) or Period of Inspection			
3-39-025-07-8G-05741		07/01/2018	12/09/2015 to 12/09/2016			

### Inspection Results

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

Number	USC or CFR Citation	Nature of Violation	Corrective Action to be Taken (If not corrected immediately)	Date Corrections to be Made (If not corrected immediately)
1	27 CFR 478.123(d)	<p><b>Records</b></p> <p><b>Records of Receipt and Disposition</b></p> <p>On at least (b)(3) - 112 Public Law 55 125 Stat occasions, the licensee did not maintain the A&amp;D records as prescribed in regard to firearms transaction records and records of acquisition and disposition of firearms.</p> <p>Specifically, on at least (b)(3) - 112 Public Law 55 1 instances, the licensee could not account for firearms that were open dispositions in the A&amp;D record, but not in inventory. Additionally, on at least (b)(3) - 112 Public Law 55 125 Stat 5 instances, the licensee did not timely record the dispositions of firearms in the A&amp;D record.</p>	<p>Licensee submitted ATF Form 3310.11 Theft/Loss report on 12/29/2016.</p> <p>Licensee immediately recorded the untimely firearms dispositions in the A&amp;D record.</p>	<p>Preventive action discussed. Theft/Loss report submitted on 12/29/2016.</p> <p>Corrected Immediately.</p>

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

*Pete McFrammer* (owner)

Date

01-11-2017

Signature and Title of ATF Officer

(b)(6)

IOI

Date

1-11-17

Copy 2 - Inspection Report Copy

ATF E-Form 5030.5  
Revised April 2005



**U.S. Department of Justice**

Bureau of Alcohol, Tobacco,  
Firearms and Explosives

1000 N. Water Street, Suite 1400  
Milwaukee, WI 53202

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January 18, 2017

[www.atf.gov](http://www.atf.gov)

778025 (b)(6)  
5373

**WARNING LETTER**

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

**Precision Tactical Firearms LLC  
ATTN: Mr. Peter Kraemer  
47 Glacier Edge Square  
Cross Plains, WI 53528**

**FFL # 3-39-05741**

**Dear Mr. Kraemer:**

During a recent compliance inspection conducted on December 8, 2016 – December 29, 2016, at your firearms business covering the period of December 8, 2015, through December 29, 2016, 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 (b)(6). 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.

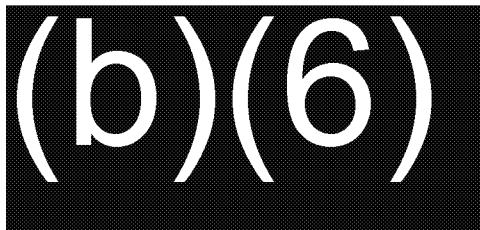
The records you are required to maintain and the business operations you conduct are important to law enforcement in our continuing effort to reduce violent crime and protect the public. It is essential that you comply with all Federal laws and regulations that govern your firearms business. This is 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.

**Precision Tactical Firearms LLC**  
**3-39-05741**

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 Industry Operations Investigator (b)(6) at (414)727-6200.

Sincerely yours,

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

**Area Supervisor**  
**Milwaukee II Field Office**

**Enclosure**

**Cc: Federal Firearms Licensing Center**  
**Milwaukee II Field Office**

# FIREARMS INSPECTION REPORT

**Name:** Precision Tactical Firearms LLC  
**Trade Name:**

**UI#:** 778025-2017-0158-B1B  
**FFL#:** 3-39-025-07-8G-05741

**Address:** 47 Glacier Edge Square  
Cross Plains, WI 53528

## 1 - Introduction

### Inspection Profile:

Industry Operations Investigator (IOI) (b)(6) conducted an unannounced Manufacturer of Firearms compliance inspection of Precision Tactical Firearms LLC beginning on December 08, 2016 and concluding on December 29, 2016. The inspection period ranged from December 08, 2015 through December 08, 2016. Responsible person and Owner; Mr. Peter Kraemer was interviewed and present throughout the inspection. Mr. Kraemer was identified with a Wisconsin Driver's License # (b)(6).

### Business Profile:

Precision Tactical Firearms LLC is licensed as a Type-07 Manufacturer of Firearms. The licensee's business premises is a storefront located at 47 Glacier Edge Square in Cross Plains, Wisconsin. The business premises consists of a firearms display and sales room and a gunsmith/armorer workshop. The licensee sells new and used handguns, long guns, firearm components, firearm accessories, and ammunition. The licensee also conducts internet based firearm transfers and special order firearm transfers. The licensee's business clientele consists of other Federal Firearms Licensees, law enforcement personnel, and the general public. The licensee had approximately (b)(4) firearm acquisitions and approximately (b)(4) firearm dispositions in the previous 12 month period. Although the licensee holds a Type-07 Manufacturer of Firearms License, there have been zero (0) firearms manufactured in the past 12 month period. Upon inspection, there were four hundred and fifty-six (456) firearms in inventory. The licensee holds no other licenses. The storefront business premises is equipped with an alarm system and video cameras. The licensee has no other off-site storage locations. Pawn services are not offered through the business. Gunsmithing and consignment services are offered through the business. The licensee's primary suppliers of firearms are (b)(4). The licensee attends approximately two-three (2-3) gun-shows per year for business and advertising purposes.

### Ownership and Control:

Mr. Kraemer is the sole Owner and Member of Precision Tactical Firearms LLC. The business is registered and in good standing with the state of Wisconsin's Department of Financial Institutions. (See Exhibit 1). Mr. Kraemer is the sole responsible person listed on the Federal Firearms License (FFL). There have been

# FIREARMS INSPECTION REPORT

**Name:** Precision Tactical Firearms LLC  
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**UI#:** 778025-2017-0158-B1B  
**FFL#:** 3-39-025-07-8G-05741

no changes in ownership or control to report.

## Variance:

Precision Tactical Firearms LLC holds no ATF approved variances.

## 2 - Recommendation

Violations WL ONLY and Recall Inspection.

Alternate Recommendation. IOI (b)(6) is requesting an Alternate Recommendation of Violations WL ONLY and Recall Inspection for Precision Tactical Firearms LLC. This is the licensee's first compliance inspection since being licensed in 06/2012.

The inspection period ranged from 12/08/15-12/29/16. The rate of untimely dispositions would be 8.2% for the inspection period. Although, IOI (b)(6) went back to 2012 for the firearms inventory reconciliation, which increased the untimely disposition rate to 10.3%. IOI (b)(6) and RP and Owner; Mr. Peter Kraemer discussed strategies to correct the untimely firearm disposition issue.

Prior to the inspection, the licensee's sales floor employees had been correctly and accurately completing the ATF Forms 4473, which were kept in the front section of the business premises. A different employee's responsibility was to take the ATF Forms 4473 on a weekly basis to the back office and record the disposed firearms in the Acquisition and Disposition record. This step was not being completed in a timely fashion, thus accounting for the high rate of untimely dispositions. RP and Owner; Mr. Peter Kraemer stated that new internal controls have been implemented for the ATF Forms 4473 to be transferred from the sales floor to the back office each night for the timely disposition entries to be recorded in the A&D record.

IOI (b)(6) examined all (b)(3) - 112 Public Law 55 125 Stat 552) ATF Forms 4473 for the inspection period. No errors or omissions were discovered. The licensee has a double-check system in place for the review of all ATF Forms 4473 prior to filing.

The reconciliation of firearms from the physical inventory to the A&D record indicated that there were (b)(3) - 112 Public Law 55 125 missing firearms. RP and Owner; Mr. Peter Kraemer does not believe the firearms to be stolen and he and his staff will continue to review all ATF Forms 4473 for the firearms in question. An ATF Theft/Loss report was filed on 12/29/16. Since the report had been filed, Mr. Kraemer stated that he has located one (1) of the missing firearms and reported the recovered firearm to the ATF Tracing Center.

IOI (b)(6) stressed the importance of performing internal audits of inventory, forms, and records. IOI (b)(6) also stressed the importance of timely and correctly recording

# FIREARMS INSPECTION REPORT

**Name:** Precision Tactical Firearms LLC  
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**UI#:** 778025-2017-0158-B1B  
**FFL#:** 3-39-025-07-8G-05741

disposed firearms in the A&D record for traceability purposes. Mr. Kraemer stated that he is confident that the business will be in compliance for all future inspections.

## 3 - Inspection History

**Date and Type of Inspection:** 04/29/2013-Special Request Inspection  
**UI#:** 778025-2013-0537-B1B  
**Inspection Results:** Special Request Completed-FFL Business is Active  
**Cited Violations:** No Violations

**Date and Type of Inspection:** 06/20/2012-Qualification Inspection  
**UI#:** 778025-2012-0678-B1B  
**Inspection Results:** Application Approved  
**Cited Violations:** No Violations

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

There were four hundred and fifty-six (456) firearms in inventory at the time of inspection. A comparison of the physical inventory to the licensee's A&D record was conducted which produced (b)(3) - 112 Public Law 55 125 Stat 552 discrepancies (See Attached Worksheets, Attached ROV, and Exhibits 5-80). Specifically, (b)(3) - 112 Public Law 55 125 discrepancies related to open A&D disposition entries of firearms that were not accounted for in the physical inventory. Additionally, (b)(3) - 112 Public Law 55 125 Stat 552) discrepancies related to firearms that were not timely or correctly recorded in the disposition section of the A&D record. All A&D records were in proper format and contained the required information. IOI (b)(6) stressed the importance of recording firearm dispositions in a correct and timely manner.

Mr. Kraemer stated the Precision Tactical Firearms LLC conducts its own internal inventory audit of firearms approximately one-two (1-2) times per year. The last internal inventory audit of firearms took place on approximately 06/01/15.

## 5 - ATF Forms 4473 – NICS & Other Dispositions

IOI (b)(6) reviewed all of the approximately (b)(3) - 112 Public Law 55 125 Stat 552) ATF Forms 4473 that were on file for the inspection period. The licensee maintains and files ATF Forms 4473 chronologically by date of transfer. No discrepancies were noted with the

# FIREARMS INSPECTION REPORT

**Name:** Precision Tactical Firearms LLC  
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completion of the ATF Forms 4473. IOI (b)(6) compared approximately thirty-seven (37) NICS Transaction Numbers (NTN) from the FFL Audit Log report to the ATF Forms 4473 for transactions occurring within the previous 2 months of inspection with no discrepancies noted.

During the inspection period, the licensee had seven (7) NICS denials on file. IOI (b)(6) reviewed all denied/voided/ and cancelled ATF Forms 4473 and compared them to the FFL Audit Report with no discrepancies noted.

## 6 – Multiple Sales

The licensee had (b)(3) - 112 Public Law 55 125 Multiple Sales involving (b)(3) - 112 Public Law 55 125 Stat 552 firearms in the previous 12 months. IOI (b)(6) compared and verified all Multiple Sales Forms 3310.4 with the Firearms Trace History report with no discrepancies noted.

## 7 – Suspicious/Prohibited Purchasers

No suspicious or prohibited purchasers were identified.

## 8 – Trace Activity

The licensee was associated with (b)(3) - 112 Public Law firearm traces in the previous 12 month period. There were zero (0) unfulfilled trace requests noted for the licensee.

## 9 - NFA/Importer/Collector/Manufacturer

The licensee does not manufacture or deal in NFA firearms. The licensee is not a direct importer or exporter of firearms.

Mr. Kraemer stated that although the business holds a Type-07 Manufacturer of Firearms License, there have been zero (0) firearms manufactured in the past 12 months. Mr. Kraemer stated that in the future, the business may start to manufacture lower "AR-Type" receivers. The licensee has been properly submitting the Annual Firearms Manufacturing and Exportation Report (AFMER) in a timely fashion (See Exhibit 2).

## 10 - Referrals

No referrals were generated as a result of the inspection.

## 11 - Other

IOI (b)(6) conducted a criminal history check of Mr. Peter Kraemer through

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NCIC/NLETS on December 1, 2016 which produced no prohibiting information.

## **12 - Closing Actions**

IOI (b)(6) conducted a closing conference with Mr. Peter Kraemer on December 29, 2016. The Acknowledgement of Federal Firearms Regulations was completed and signed (See Exhibit 3). All questions were answered and contact information was provided.

## **13 - Violations**

1.

### **Records Records of Receipt and Disposition 27 CFR 478.123(d)**

**Nature of Violation:** On at least (b)(3) - 112 Public Law 55 125 Stat 552 occasions, the licensee did not maintain the A&D records as prescribed in regard to firearms transaction records and records of acquisition and disposition of firearms. Specifically, on at least (b)(3) - 112 Public Law 55 125 Stat 552 instances, the licensee could not account for firearms that were open dispositions in the A&D record, but not in inventory. Additionally, on at least (b)(3) - 112 Public Law 55 125 Stat 552 instances, the licensee did not timely record the dispositions of firearms in the A&D record. (See Worksheets and Exhibits 5-80)

**Licensee's Response:** Mr. Kraemer completed and submitted a Theft/Loss report on 12/29/16 (See Exhibit 4). Mr. Kraemer does not believe the firearms to be stolen and will continue to look for the applicable firearms transaction paperwork (ATF Forms 4473). Due to oversight, the firearm dispositions were not recorded in a timely manner.

**Corrective Action:** Licensee submitted ATF Form 3310.11 Theft/Loss report on 12/29/2016. Licensee immediately recorded the untimely firearms dispositions in the A&D record.

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**X**

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Industry Operations Investigator

## **Index of Worksheets and Exhibits** **Attachments**

Report of Violations  
Worksheets

## **Exhibits**

Exhibit 1: Wisconsin Department of Financial Institutions (DFI) documentation.  
Exhibit 2: AFMER copies for 2014 and 2015.  
Exhibit 3: Acknowledgement of Federal Firearms Regulations.  
Exhibit 4: Theft/ Loss Report 12-29-16  
Exhibits 5-80: Acquisition and Disposition record discrepancies.

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## Variance:

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## 2 - Recommendation

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## 3 - Inspection History

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**UI#:** 778025-2013-0537-B1B  
**Inspection Results:** Special Request Completed-FFL Business is Active  
**Cited Violations:** No Violations

**Date and Type of Inspection:** 06/20/2012-Qualification Inspection  
**UI#:** 778025-2012-0678-B1B  
**Inspection Results:** Application Approved  
**Cited Violations:** No Violations

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

There were four hundred and fifty-six (456) firearms in inventory at the time of inspection. A comparison of the physical inventory to the licensee's A&D record was conducted which produced (b)(3) - 112 Public Law 55 125 Stat 552 discrepancies (See Attached Worksheets, Attached ROV, and Exhibits 5-80). Specifically, (b)(3) - 112 Public Law 55 125 discrepancies related to open A&D disposition entries of firearms that were not accounted for in the physical inventory. Additionally, (b)(3) - 112 Public Law 55 125 Stat 552) discrepancies related to firearms that were not timely or correctly recorded in the disposition section of the A&D record. All A&D records were in proper format and contained the required information. IOI (b)(6) stressed the importance of recording firearm dispositions in a correct and timely manner.

Mr. Kraemer stated the Precision Tactical Firearms LLC conducts its own internal inventory audit of firearms approximately one-two (1-2) times per year. The last internal inventory audit of firearms took place on approximately 06/01/15.

## 5 - ATF Forms 4473 – NICS & Other Dispositions

IOI (b)(6) reviewed all of the approximately (b)(3) - 112 Public Law 55 125 Stat 552) ATF Forms 4473 that were on file for the inspection period. The licensee maintains and files ATF Forms 4473 chronologically by date of transfer. No discrepancies were noted with the

# FIREARMS INSPECTION REPORT

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completion of the ATF Forms 4473. IOI (b)(6) compared approximately thirty-seven (37) NICS Transaction Numbers (NTN) from the FFL Audit Log report to the ATF Forms 4473 for transactions occurring within the previous 2 months of inspection with no discrepancies noted.

During the inspection period, the licensee had seven (7) NICS denials on file. IOI (b)(6) reviewed all denied/voided/ and cancelled ATF Forms 4473 and compared them to the FFL Audit Report with no discrepancies noted.

## **6 – Multiple Sales**

The licensee had eleven (11) Multiple Sales involving (b)(3) - 112 Public Law 55 125 Stat 552 firearms in the previous 12 months. IOI (b)(6) compared and verified all Multiple Sales Forms 3310.4 with the Firearms Trace History report with no discrepancies noted.

## **7 – Suspicious/Prohibited Purchasers**

No suspicious or prohibited purchasers were identified.

## **8 – Trace Activity**

The licensee was associated with (b)(3) - 112 Public Law 55 125 Stat firearm traces in the previous 12 month period. There were zero (0) unfulfilled trace requests noted for the licensee.

## **9 - NFA/Importer/Collector/Manufacturer**

The licensee does not manufacture or deal in NFA firearms. The licensee is not a direct importer or exporter of firearms.

Mr. Kraemer stated that although the business holds a Type-07 Manufacturer of Firearms License, there have been zero (0) firearms manufactured in the past 12 months. Mr. Kraemer stated that in the future, the business may start to manufacture lower "AR-Type" receivers. The licensee has been properly submitting the Annual Firearms Manufacturing and Exportation Report (AFMER) in a timely fashion (See Exhibit 2).

## **10 - Referrals**

No referrals were generated as a result of the inspection.

## **11 - Other**

IOI (b)(6) conducted a criminal history check of Mr. Peter Kraemer through

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NCIC/NLETS on December 1, 2016 which produced no prohibiting information.

## **12 - Closing Actions**

IOI (b)(6) conducted a closing conference with Mr. Peter Kraemer on December 29, 2016. The Acknowledgement of Federal Firearms Regulations was completed and signed (See Exhibit 3). All questions were answered and contact information was provided.

## **13 - Violations**

1.

### **Records Records of Receipt and Disposition 27 CFR 478.123(d)**

**Nature of Violation:** On at least (b)(3) - 112 Public Law 55 125 Stat 552 occasions, the licensee did not maintain the A&D records as prescribed in regard to firearms transaction records and records of acquisition and disposition of firearms.

Specifically, on at least (b)(3) - 112 Public Law 55 125 Stat instances, the licensee could not account for firearms that were open dispositions in the A&D record, but not in inventory.

Additionally, on at least (b)(3) - 112 Public Law 55 125 Stat 552 instances, the licensee did not timely record the dispositions of firearms in the A&D record. (See Worksheets and Exhibits 5-80)

**Licensee's Response:** Mr. Kraemer completed and submitted a Theft/Loss report on 12/29/16 (See Exhibit 4). Mr. Kraemer does not believe the firearms to be stolen and will continue to look for the applicable firearms transaction paperwork (ATF Forms 4473). Due to oversight, the firearm dispositions were not recorded in a timely manner.

**Corrective Action:** Licensee submitted ATF Form 3310.11 Theft/Loss report on 12/29/2016. Licensee immediately recorded the untimely firearms dispositions in the A&D record.

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**X**

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Industry Operations Investigator

## **Index of Worksheets and Exhibits** **Attachments**

Report of Violations  
Worksheets

### **Exhibits**

Exhibit 1: Wisconsin Department of Financial Institutions (DFI) documentation.  
Exhibit 2: AFMER copies for 2014 and 2015.  
Exhibit 3: Acknowledgement of Federal Firearms Regulations.  
Exhibit 4: Theft/ Loss Report 12-29-16  
Exhibits 5-80: Acquisition and Disposition record discrepancies.