

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) AI & P Tactical, LLC 72 E Chauvez Rd Scottville, MI 49454, Mason	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 774050-2016-0058-B1B		
	3. PERMIT/LICENSE NUMBER 438105077L06137	4a. TARGET DATE 9/30/2016	4b. TARGET HOURS 40
	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, 10/05/2015

8. PURPOSE/SPECIAL INSTRUCTIONS

Conduct a Full Manufacturer/Importer Compliance Inspection to determine compliance with Federal firearms laws and regulations and applicable State, County or local laws and regulations. Complete required N-Spect fields. Verify compliance with zoning requirements. Check tax information on firearms manufactured and review FLS report with licensee for accuracy and completeness. Contact the FTB to determine if the licensee has any active marking variances on file. For Importers, verify any approved Form 6's with the A & D records. For Manufacturers, determine that the licensee has submitted, as required, ATF Form 5300.11 containing all the required information annually. If the licensee has failed to submit, these should be submitted prior to closing out the inspection. Inform Licensee of his responsibility of registering for ITAR under the US State Department.

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) - Investigator

Submitted on: 11/04/2016

Alternate recommendation: Violations, Warning Letter be sent and Recall Inspection to follow.

Pursuant to ATF O 5370.1B the recommendation based on the findings of this inspection would result in a recommendation of Warning Conference due to failure to properly mark imported or manufactured firearms. SIOI (b)(6) is recommending a Warning Letter be sent with a recall inspection to follow in lieu holding a Warning Conference based on the following:

1. This is the licensee's second compliance inspection. No violations were cited during the first inspection.

2. The licensee was cited for only one violation (failure to properly mark (b)(6) firearms). The licensee failed to include "LLC" of its licensed name of AI&P Tactical LLC. The failure was for all firearms manufactured since the license was issued in 2011. The failure averaged (b)(6) firearms manufactured per year.

3. The licensee prepared a Notice of Disclosure (of improperly marked firearms) as requested and upon completion of the Notice immediately noticed SIOI (b)(6). The licensee also added "LLC" to its engraving plate to correct and properly mark all future manufactured firearms.

4. No theft or loss of the firearms were reported as a result of this inspection or prior to the inspection and the licensee has had no traces.

Based on the above, SIOI (b)(6) recommends a Warning Letter be sent with a Recall Inspection is a more appropriate recommendation based on her findings.

Viols WL ONLY and Recall Inspection

12. TIME ACCOUNTING DATA

ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
APR 2016	1.00
MAY 2016	27.00
JUL 2016	6.00
AUG 2016	5.00

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	3. PERMIT/LICENSE NUMBER 438105077L06137	4a. TARGET DATE 9/30/2016	4b. TARGET HOURS 40
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

12. TIME ACCOUNTING DATA	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6) NOV 2016 3.00
ATF OFFICER'S SUBTOTAL	42.00
ATF OFFICER'S SIGNATURE	
TOTAL HOURS	42.00

13. REVIEW AND ROUTING	
REVIEW COMMENTS AND RECOMMENDATION Viols WL ONLY and Recall Inspection	
<input checked="" type="checkbox"/> REVIEWED <input checked="" type="checkbox"/> CONCUR <input type="checkbox"/> SEE COMMENTS <input type="checkbox"/> FINAL DISPOSITION	
SIGNATURE AND TITLE (b)(6) - Area Supervisor	REVIEW DATE 11/09/2016

REVIEW COMMENTS AND RECOMMENDATION A warning conference is prescribed by the Administrative Action Order. However, I recommend a warning letter with recall inspection as the most appropriate outcome because the marking violation does not affect traceability and was immediately corrected by the licensee. Furthermore, there were no traces or trafficking indicators associated with the business and ATF missed the chance to detect and correct this violation during a previous compliance inspection. Viols WL ONLY and Recall Inspection	
<input checked="" type="checkbox"/> REVIEWED <input checked="" type="checkbox"/> CONCUR <input checked="" type="checkbox"/> SEE COMMENTS <input checked="" type="checkbox"/> FINAL DISPOSITION	
SIGNATURE AND TITLE BSMENDOZ - Director, Industry Operations	REVIEW DATE 11/10/2016

ROUTING SEQUENCE AND DATE	
<input type="checkbox"/> 1. _____	CONTROL FILE POSTED DATE _____
<input type="checkbox"/> 2. _____	
<input type="checkbox"/> 3. _____	
<input type="checkbox"/> 4. _____	

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 Al & P Tactical, LLC	Street Address 72 E Chauvez Rd	City Scottville	State MI	Zip Code 49454-	County Mason	Page 1 of 1 Pages
License/Permit/Registry Number <i>(If any)</i> 438105077L06137		Expiration Date 11/1/2017	Date(s) or Period of Inspection 05/17/2015 through 05/17/2016			

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 of licensed manufacturer to properly mark the manufactured firearm(s) with their name as identified on their Federal Firearms license. The licensee failed to properly mark firearm(s).

Citation: 27 CFR 478.92(a)(1)(ii)(C)

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

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

Licensee is to properly mark all future manufactured firearms.

Licensee is to provide ATF with a Notice of Disclosure identifying all improperly marked firearms and the disposition, if any, of each firearm.

Licensee is also to add any trade/business name, if necessary, to its license if the licensee intends to mark future manufactured firearms with a name other than the licensed name or any trade/business name identified on the license.

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

November 1 2019 Production

469

ATF E-Form 5030 5
Revised April 2005



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Grand Rapids, MI

November 15, 2016

www.atf.gov

774050: (b)(6)
5300

Mr. JD McGuire
AI & P Tactical LLC
72 E. Chauvez Rd
Scottville, MI 49454

RE: FFL #4-38-105-07-7L-06137

Dear Mr. McGuire:

During a recent compliance inspection at your firearms business covering the period May 17, 2015, through May 17, 2016 you were cited for violations of Title 27 Code of Federal Regulations, Part 478. A copy of the Report of Violations, ATF Form 5030.5, issued at the time of the inspection is enclosed.

The violations were fully explained to you by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Senior Industry Operations Investigator (b)(6). You indicated that you understood the requirements of the firearms laws and regulations. You further indicated 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, 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.

AI & P Tactical LLC
FFL: 4-38-105-07-7L-06137

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

Sincerely yours,

(b)(6)

Area Supervisor

Enclosure

c: Federal Firearms Licensing Center
Grand Rapids II Area Office

FIREARMS INSPECTION REPORT

Name: AI & P Tactical LLC
Trade Name:

UI#: 774050-2016-0058 B1B
FFL#: 4-38-105-07-7L-06137

Address: 72 E. Chauvez Road
Scottville, Michigan 49454 (Mason County)

1 - Introduction

Inspection Profile:

Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Senior Industry Operations Investigator (IOI) (b)(6) attempted to conduct an unannounced compliance inspection on May 13, 2016 during the licensee's business hours of 11 am to 7 pm (Tuesday through Saturday) but upon arrival it was determined that the licensee was not at the business premises. A telephone call was made to the licensee's cellular number and after identifying herself to the licensee and stating SIOI (b)(6) was currently at the licensed premises, the licensee stated he was not area and would not be available for an inspection that day. The licensee then confirmed his business hours and stated he would be available on the upcoming Tuesday, May 17, 2016. SIOI (b)(6) initiated an onsite compliance inspection of licensee AI & P Tactical LLC on May 17, 2016. Owner/Responsible Person Jewell (JD) McGuire was interviewed during the inspection. The inspection period was from May 17, 2015 through May 17, 2016. SIOI (b)(6) returned to the business premises on July 21, 2016 to issue the Report of Violations and obtain/verify corrective action.

The scope of the inspection included examination of the licensee's required firearms records, including Firearms Transaction Records, ATF Forms 4473 (ATF F 4473s), Records of Acquisition and Disposition (A& D records), the firearms in the licensee's inventory, interviews with Responsible Person(s) and to determine if the licensee submitted, as required, ATF Form 5300.11 containing all the required information annually and to inform the licensee of its responsibility of registering for ITAR under the US State Department.

Business Profile:

The licensee holds a Type 07, Manufacturer of Firearms Other Than Destructive Devices, license and has held it since 2010. The business premises is the licensee's residence, located in Custer Township and owned by the licensee. See Exhibit 1, Mason County Property Information.

On August 16, 2016, SIOI (b)(6) spoke with (b)(6) of the Mason County Planning and Zoning Department ((b)(6)) who stated the licensee had the appropriate Home Occupation Permit and that he was "okay" with zoning. (b)(6) further confirmed that the permit did not expire as long as the recipient resided at the location and performed the activities under that permit.

FIREARMS INSPECTION REPORT

Name: AI & P Tactical LLC
Trade Name:

UI#: 774050-2016-0058 B1B
FFL#: 4-38-105-07-7L-06137

The business premises is not within 1,000 feet of a school zone. The licensee manufactures custom shotguns by adding accessories to receivers and custom finishing receivers. The licensee did not have any manufactured firearms in inventory at the time of the inspection. The licensee acquired (b)(4) firearms and disposed of (b)(4) firearms during the last year. The licensee primarily transfers firearms to other licensees and law enforcement officers/agencies. The licensee had 50 firearms in inventory at the time of the inspection. The licensee does not have off-site storage of firearms. The licensee does not conduct firearm transactions at gun shows or other qualifying events. The licensee has the following website: www.aiptactical.com. The licensee's primary suppliers are (b)(4). The licensee previously held FFL 4-38-105-01-2M-03607, as a sole proprietor, Jewell David McGuire, dba A I & P Tactical, which went out of business when the licensee obtained the current Type 07 license. The Type 07 license is a successor to the Type 01 license as the licensee has retained the records from the Type 01 license.

Ownership and Control:

The licensee is an active valid Michigan Limited Liability Company. This was verified through the Department of Licensing and Regulatory Affairs website. See Exhibit 1, Limited Liability Company Details.

FLS accurately reflects one responsible person (Jewell David McGuire) on this license. No changes are being made as a result of this inspection. A criminal background check was run through the OpenFox database on the responsible person and no prohibiting information/convictions were disclosed.

Variance:

The licensee does not have an approved ATF variance and none were requested during this inspection.

2 - Recommendation

Alternate recommendation: Violations, Warning Letter be sent and Recall Inspection

Pursuant to ATF O 5370.1B the recommendation based on the findings of this inspection would result in a recommendation of Warning Conference due to failure to properly mark imported or manufactured firearms. SIOI (b)(6) is recommending a Warning Letter be sent with a recall inspection to follow in lieu holding a Warning Conference based on the following:

1. This is the licensee's second compliance inspection. No violations were cited during the first inspection.

FIREARMS INSPECTION REPORT

Name: AI & P Tactical LLC
Trade Name:

UI#: 774050-2016-0058 B1B
FFL#: 4-38-105-07-7L-06137

2. The licensee was cited for only (b)(3) violation (failure to properly mark (b)(3) firearms). The licensee failed to include "LLC" of its licensed name of AI&P Tactical LLC. The failure was for all firearms manufactured since the license was issued in 2011. The failure averaged (b)(3) firearms manufactured per year.
3. The licensee prepared a Notice of Disclosure (of improperly marked firearms) as requested and upon completion of the Notice immediately noticed SIOI (b)(6). The licensee also added "LLC" to its engraving plate to correct and properly mark all future manufactured firearms.
4. No theft or loss of the firearms were reported as a result of this inspection or prior to the inspection and the licensee has had no traces.
Based on the above, SIOI (b)(6) recommends a Warning Letter be sent with a Recall Inspection is a more appropriate recommendation based on her findings.

3 - Inspection History

Date of Inspection: April 10, 2012
Type of Inspection: Compliance Inspection
UI#: 774050-2012-0169 B1B
Inspection Results: No violations, no further action, no referrals
Cited Violations: None

Date of Inspection: September 13, 2011
Type of Inspection: Qualification Inspection
UI#: 774050-2011-0523 B1B
Inspection Results: Approve Original
Cited Violations: None

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

A full physical inventory of firearms was taken and compared to the licensee's A&D record. No discrepancies were disclosed. The licensee had 50 firearms in inventory at the time of the inspection. A review of the licensee's A&D record revealed it contained the required information as prescribed by federal regulations. The licensee has two A&D records. Both records were reviewed for open entries. Book 1 had no open entries at the time of the inspection. The licensee is in compliance with Ruling 2016-3, Consolidation of Records Required by Manufacturers.

No theft or loss reports were filed during the inspection period or as a result of the inspection. Fourteen firearms were traced from acquisition through disposition and no discrepancies were discovered. No indicators of trafficking was discovered relating to the acquisition and disposition of the firearms and no discovery of obliterated serial

FIREARMS INSPECTION REPORT

Name: AI & P Tactical LLC
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number or illegal firearms were found. The licensee periodically conducts an inventory of firearms to ensure all firearms are accountable.

5 - ATF Forms 4473 – NICS & Other Dispositions

The licensee had [REDACTED] ATF F 4473s on file for the inspection period. A review of the forms did not disclose any discrepancies. The licensee also had transfers to other licensees and law enforcement officers/agencies during the inspection period. All transactions were properly logged out of the licensee's A&D record.

An FFL audit log was obtained for the report date of May 11, 2016. The report revealed the licensee had [REDACTED] "proceed" response for the Non-Denied Status Date Range of March 12, 2016, through May 11, 2016, and [REDACTED] denied transactions during the Denied Status Date Range of November 30, 1998, through May 11, 2016. A review of the licensee's ATF F 4473s verified this report is accurate. See Exhibit 3.

The licensee retained the "denied" transaction ATF F 4473 and those where the licensee contacted NICS but the sale did not take place separate from the ATF F 4473s where the transaction occurred and in chronological order as prescribed by federal regulations.

6 - Multiple Sales

The licensee's Firearms Trace History report for the inspection period of May 17, 2015, through May 17, 2016, revealed [REDACTED] multiple sales transaction. See Exhibit 4. No unreported multiple sales of handguns were found for the inspection period.

7 - Suspicious/Prohibited Purchasers

No possible traffickers, straw purchasers or any other suspicious purchasers were discovered.

8 - Trace Activity

The licensee's Firearms Trace History report for the inspection period of May 17, 2015, through May 17, 2016, revealed no trace activity. See Exhibit 4.

9 - NFA/Importer/Collector/Manufacturer

The licensee does not deal in NFA weapons and is not an importer nor collector of firearms. The licensee properly filed ATF Forms 5300.11. Annual Firearms Manufacturing and Exportation Report, AFMER for the years 2011 through 2015. See Exhibit 5.

FIREARMS INSPECTION REPORT

Name: AI & P Tactical LLC
Trade Name:

UI#: 774050-2016-0058 B1B
FFL#: 4-38-105-07-7L-06137

During the inspection it was discovered that the licensee was improperly marking the manufactured firearms. The licensee marked the firearms only as "AI&P Tactical" and failed to include the "LLC" as identified on the license. A report of violations was issued citing the violation. See Section 13, Violations, section below for additional information.

10 - Referrals

No referrals were generated as a result of this inspection.

11 - Other

The licensee had trigger locks available for sale and utilized the State of Michigan trigger lock statement with each transfer. The licensee holds Michigan Sales Tax License number (b)(3) - 26 USC 6103, which December 31, 2016.

The licensee had ATF I 5300.1, Youth Handgun Safety Act sign posted where customers could readily see it and provided customers who purchase a handgun the ATF I 5300.2, Youth Handgun Safety Act Notice.

12 - Closing Actions

A closing conference was held on May 17, 2016, with Mr. McGuire. A review of the regulatory requirements was completed with Mr. McGuire and Mr. McGuire signed the Acknowledgement of Federal Firearms Regulations, see Exhibit 6. The licensee was informed of its responsibility of registering for ITAR under the US State Department, if necessary, and was provided contact information for this agency.

A follow-up visit was made to the licensed premises on July 21, 2016. During the visit the licensee provided SIOI (b)(6) with a list of improperly marked firearms and the disposition information. Also ATF E-Form 5030.5, Report of Violations, was reviewed with the licensee, signed and dated by the licensee and SIOI (b)(6) and a copy provided to the licensee. See Section 13, Violations, for additional information.

13 - Violations

1. 27 CFR 478.92(a)(1)(ii)(C)

Nature of violation:

Failure of licensed manufacturer to properly mark the manufactured firearm(s) with their name as identified on their Federal Firearms license. The licensee failed to properly mark (b)(3)(F) firearm(s).

Licensee's response:

FIREARMS INSPECTION REPORT

Name: AI & P Tactical LLC
Trade Name:

UI#: 774050-2016-0058 B1B
FFL#: 4-38-105-07-7L-06137

The licensee stated he didn't realize that he had to include the LLC when he marked the firearms.

Corrective action:

Licensee is to properly mark all future manufactured firearms.

Licensee is to provide ATF with a Notice of Disclosure identifying all improperly marked firearms and the disposition, if any, of each firearm.

Licensee is to add any trade/business name, if necessary, to its license if the licensee intends to mark future manufactured firearms with a name other than the licensed name or any trade/business name identified on the license.

The licensee provided SIOI (b)(6) with a list of all improperly marked firearms and the disposition information of these firearms. See Exhibit 7, List of Firearms (Notice of Disclosure). In addition, the licensee has added "LLC" to his engraving plate so as to properly mark all future manufactured firearms. See Exhibit 8, Photograph of Engraving Plate. On August 16, 2016, SIOI (b)(6) forwarded the Notice of Disclosure list of firearms to ATF's Marking Variance email. See Exhibit 9.

X

Industry Operations Investigator

Index of Worksheets and Exhibits

ATF E-Form 5030.5, Report of Violations

Exhibit 1, Mason County Property Information
Exhibit 2, Limited Liability Company Details
Exhibit 3, FFL Audit Report
Exhibit 4, VCAB Query, Firearms Trace History
Exhibit 5, Firearms Manufacturing Reports Search (AFMER), 2011-2015
Exhibit 6, Acknowledgement of Federal Firearms Regulations
Exhibit 7, List of Firearms (Notice of Disclosure)
Exhibit 8, Photograph of Engraving Plate
Exhibit 9, Email to ATF's Marking Variances