

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Joseph Reaves Merritt, II Honeycutt Pawn & Variety 103 S. Railroad St. Wallace, NC 28466, DUPLIN		2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 763050-2016-0152-B1B	
6. ATF OFFICER(S) ASSIGNED (b)(6) - Lead Investigator (b)(6) - Assigned Investigator		3. PERMIT/LICENSE NUMBER 156061027D03964	
		4a. TARGET DATE 4b. TARGET HOURS 	
5. REQUESTED BY (SIGNATURE, TITLE AND DATE) 			
7. ASSIGNED BY (SIGNATURE, TITLE AND DATE) (b)(6), Area Supervisor, 12/14/2015			
8. PURPOSE/SPECIAL INSTRUCTIONS Conduct a full scope compliance inspection.			
9. INSPECTION RESULTS <input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC			
NO. OF VIOLATIONS	8	NO. OF REFERRALS	
NO. OF TECS CHECKS	187	NO. OF TECS HITS	
NO. OF TAX ADJUSTMENTS		\$ VALUE OF TAX INCREASES	
		\$ VALUE OF TAX DECREASES	
NO. OF ASSESSMENTS		\$ VALUE OF ASSESSMENTS	
NO. OF CLAIMS		\$ VALUE OF CLAIMS	
NO. OF TAX PERIODS		\$ VALUE OF TAXES VERIFIED	
		2111 - PER DIEM	
		2112 - P.O.A.	
		2113 - COMM. AIR	
		2114 - RENTAL CAR	
		2115 - GPV EXPENSES	
		2116 - MISC.	
		TOTAL \$ FOR INSP.	
11. ATF OFFICER'S RECOMMENDATION Submitted by (b)(6) - Industry Operations Investigator Submitted on: 05/13/2016 Violts WL ONLY and No Recall Inspection			
12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b)(6)			
DEC 2015		4.00	
FEB 2016		50.00	
MAR 2016		39.00	
APR 2016		43.00	
ATF OFFICER'S SUBTOTAL		136.00	ATF OFFICER'S SIGNATURE
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b)(6)			
FEB 2016		29.00	
ATF OFFICER'S SUBTOTAL		29.00	ATF OFFICER'S SIGNATURE
TOTAL HOURS		165.00	

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13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

Viols WL ONLY and No Recall Inspection

☒ REVIEWED

☒ CONCUR

☐ SEE COMMENTS

☒ FINAL DISPOSITION

SIGNATURE AND TITLE

(b)(6) - Area Supervisor

(b)(6)

Digitally signed by (b)(6)
DN: cn=(b)(6), o=ATF, ou=ATF, email=(b)(6), c=US
Date: 2016.05.13 15:00:00 -0500

REVIEW DATE

05/13/2016

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 Joseph Merritt Reaves, II dba Honeycull Pawn & Variety	Street Address 103 S Railroad Street	City Wallace	State North Carolina	ZIP Code 28466	County Duplin	Page 1 of 7 Pages
License/Permit/Registry Number (if any) 1 56 061 02 7D 03964		Expiration Date April 1, 2017	Date(s) or Period of Inspection January 1, 2015 through February 1, 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 478.124(c)(1)	<p>Failure of licensee in (b)(3) instances (out of 1423 form reviewed) to ensure the accuracy and/or completeness of ATF F 4473 prior to the transfer of a firearm</p> <p>ATF F 4473 # (b)(3) - Public Law 112-55 (125 Stat. 552) - Item 1 (transferee name) was incorrect in (b)(3) instances and blank in (b)(3) instance</p> <p>ATF F 4473 # (b)(3) - Item 2 (current address) was incorrect</p> <p>ATF F 4473 # (b)(3) - Items 2 and 3 (place of birth) were incorrect</p> <p>ATF F 4473 # (b)(3) - Item 11j (have you ever renounced your U.S. citizenship?) was blank</p> <p>ATF F 4473 # (b)(3) - Item 11g (dishonorable discharge) was blank</p> <p>ATF F (b)(3) 112 Public Law 55 - Item 11i (have you ever been convicted of a MCDV?) was answered YES</p> <p>ATF F (b)(3) 112 Public Law 55 - Item 11L (are you an alien admitted to the U.S. under a non-immigrant visa?) was blank</p> <p>ATF F 4473 # (b)(3) 112 Public Law 55 - Item 13 (state of residence) was incorrect</p> <p>ATF F 4473 # (b)(3) 112 Public Law 55 125 STAT 552 - Item 14 (country of citizenship) was blank in (b)(3) instances and incorrect in (b)(3) instance</p> <p>ATF F 4473 # (b)(3) 112 Public Law 55 125 STAT - and 4616 - Item 17 was blank in (b)(3) instance and incorrect in (b)(3) instances</p>	<p>Mr. Merritt was advised both during the inspection and the inspection closing conference that ATF F 4473 must be completed accurately AND completely in all instances. He was further advised to implement whatever steps deemed necessary to ensure each form is reviewed for accuracy & completeness prior to transferring a firearm</p> <p>Strong emphasis was placed on ensuring ATF F 4473 Section A certification questions are answered and/or answered appropriately. Specifically, if purchaser fails to answer or answers 'YES' to any of the certification questions, then the transfer should not take place if there is any indication or reason to believe the purchaser is indeed in a prohibited status</p>	Immediately

I have received a Copy of This Report of Violations (Proprietor's signature and title)

Joseph Reaves Merritt, II owner
Signature and Title of ATF Officer (b)(6) FBI

Date 4-6-16
Date 4/6/16

ATF Form 5801.5
Revised April 2005

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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)
2.	27 CFR 478.124(e)(3)(i)	Failure of licensee in (b)(3) instances (out of 1423 forms reviewed) to verify the accuracy and/or completeness of ATF F 4473 prior to the transfer of a firearm. ATF F 4473 # (b)(3) 112 Public Law 55 125 S - Item 20a (identification) was incorrect in (b)(3) instances	Mr. Merritt was advised both during the inspection and the inspection closing conference that ATF F 4473 must be completed accurately AND completely in all instances. He was further advised to implement whatever steps deemed necessary to ensure each form is reviewed for accuracy & completeness prior to transferring a firearm. Mr. Merritt advised that the presented identification document(s) provided must match the address recorded on ATF F 4473, Item 2. Otherwise, purchaser must present alternate government-issued document(s) denoting the current address which should be recorded in ATF F 4473 Item 20b.	Immediately
2. con't		Failure of licensee in (b)(3) instances (out of 1423 forms reviewed) to verify the accuracy of ATF F 4473 prior to the transfer of a firearm. Each transferee presented photo identification featuring a different residence address than what was recorded on ATF F 4473. In (b)(3) instances, Item 20b (alternate documentation) was blank, meaning licensee failed to have the purchaser provide alternate documentation to verify the current residence address. In the other (b)(3) instances (#s (b)(3) 112 Public Law 55), 'US military ID' was recorded in Item 20B, but neither a copy of the military identification nor the purchaser's permanent duty (PCS) orders were attached. The following forms document this violation: ATF F 4473 #s (b)(3) 112 Public Law 55 125 STAT 552 (b)(3) 112 Public Law 55 125 STAT 552	All active duty military personnel permanently stationed in North Carolina are considered residents of the State of North Carolina. If they do not have North Carolina identification detailing a State residence, then they must supply the following to purchase a firearm: 1. current military identification card 2. permanent change of station (PCS) OR another government-issued documenting denoting a current North Carolina residence address	

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3.	27 CFR 478.124(c)(3)(iv)	<p>Failure of licensee in (b)(3) instances (out of 1423 forms reviewed) to verify the accuracy and/or completeness of ATF F 4473 prior to the transfer of a firearm.</p> <p>ATF F 4473 #s (b)(3) 112 Public Law 55 125 5 item 21a (NICS contact date) was blank</p> <p>ATF F 4473 #s (b)(3) 112 Public Law 55 125 STAT 552 item 21a incorrect</p> <p>ATF F 4473 #s (b)(3) 112 Public Law 55 125 STAT 552 item 21c (NICS initial response) was blank</p> <p>ATF F 4473 #s (b)(3) 112 Public Law 55 125 5 item 21d (response after NICS delay) was blank</p>	Mr. Merritt was advised both during the inspection and the inspection closing conference that ATF F 4473 must be completed accurately AND completely in all instances. He was further advised to implement whatever steps deemed necessary to ensure each form is reviewed for accuracy & completeness prior to transferring a firearm	Immediately

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4.	27 CFR 478.124(c)(4)	Failure of licensee in (b)(3) instances (out of 1423 forms reviewed) to verify the accuracy and/or completeness of ATF F 4473 prior to the transfer of a firearm. (b)(3) 112 Public Law 55 125 STAT 552	Mr. Merritt was advised both during the inspection and the inspection closing conference that ATF F 4473 must be completed accurately AND completely in all instances. He was further advised to implement whatever steps deemed necessary to ensure each form is reviewed for accuracy & completeness prior to transferring a firearm	Immediately
5.	27 CFR 478.124(c)(5)	Failure of licensee in (b)(3) instances (out of 1423 forms reviewed) to verify the accuracy and/or completeness of ATF F 4473 prior to the transfer of a firearm. ATF F 4473 #s (b)(3) 112 Public Law 55 125 STAT 552 Item 36 (transfer date) was incorrect ATF F 4473 #s (b)(3) 112 Public Law 55 125 STAT 552 Items 34 (transferor signature) and 36 were left blank	Mr. Merritt was advised both during the inspection and the inspection closing conference that ATF F 4473 must be completed accurately AND completely in all instances. He was further advised to implement whatever steps deemed necessary to ensure each form is reviewed for accuracy & completeness prior to transferring a firearm	Immediately

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6.	27 CFR 478.21(a)	<p>Failure of licensee in (b)(3) instances (b)(3) out of 1423 forms reviewed) to verify the accuracy and/or completeness of ATF F 4473 prior to the transfer of a firearm.</p> <p>(b)(3) 112 Public Law 55 125 STAT 552</p>	<p>Mr. Merrill was advised both during the inspection and the inspection closing conference that ATF F 4473 must be completed accurately AND completely in all instances. He was further advised to implement whatever steps deemed necessary to ensure each form is reviewed for accuracy & completeness prior to transferring a firearm.</p>	Immediately

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7.	27 CFR 478.125(c)	Failure of licensee in ^{(b)(3)} instances to accurately record the serial number (S/N) of a firearm in the Acquisition and Disposition record. The errors were disclosed during the inventory count & reconciliation (b)(3) 112 Public Law 55 125 STAT 552	Mr. Merritt was advised during the inspection and the closing conference of the importance of ensuring that all A&D record entries are accurately recorded. Specific emphasis was placed on the need to record the serial number accurately as it is the most important part of a firearm's descriptive information used to trace a firearm	Corrected during the inspection
7, con't		Failure of licensee in ^{(b)(3)} instances to record the disposition of a firearm and failure in ^{(b)(3)} instance to record the acquisition of a firearm in the A&D record (b)(3) 112 Public Law 55 125 STAT 552	Mr. Merritt was advised during the inspection and the inspection closing conference that the purchase or other acquisition of a firearm shall be recorded not later than the close of the next business day following such acquisition. He was further advised that the sale or other disposition of a firearm shall be recorded not later than 7 days following the date of such transaction. All ^{(b)(3)} entries were made during the inspection	Corrected during the inspection

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8.	27 CFR 478.126a	Failure of licensee in ^{(b)(3)} instance to execute and submit ATF F 3310.4, Report of Multiple Sale or Other Disposition of Pistols and Revolvers. The ATF F 4473 inspection review disclosed ^{(b)(3)(1)} multiple sale to an individual with no corresponding completed ATF F 3310.4 documenting the transaction.	On 3-4-16 ^{(b)(3) 112 Public Law 55 125 517} executed and submitted ATF F 3310.4 to properly document this multiple sales transaction. Mr. Merrill advised that ATF F 3310.4 must be executed and submitted not later than the close of business on the day that a multiple sale occurs. He was further advised that per instruction on the form, 1. copy 1 shall be forwarded to both the ATF National Tracing Center electronically or by fax or mail 2. copy 2 shall be forwarded to the CLEO of the jurisdiction where the multiple sale takes place	3-4-16



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives
1801 Stanley Road, Suite 300
Greensboro, NC 27407

May 16, 2016

www.atf.gov

763050: (b)(6)
5373

WARNING LETTER

CERTIFIED RETURN RECEIPT REQUESTED

Mr. Joseph Reaves Merritt, II
Honeycutt Pawn & Variety
103 S. Railroad Ave.
Wallace, NC 28466

RE: 1-56-061-02-7D-03964

Dear Mr. Merritt:

During a recent inspection of your firearms business, covering the period January 1, 2015 through February 1, 2016, you were cited for violations of Title 27, Code of Federal Regulations, Part 478. A copy of the Report of Violations, ATF F 5030.5, issued at the time of the inspection is enclosed.

All violations were fully explained to you by Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Industry Operations Investigator (b)(6). You indicated that you understood the requirements of the firearms laws and regulations and that corrective action would be taken to eliminate future violations.

The records you are required to maintain and the business operations you conduct are important to law enforcement in our continuing efforts to reduce violent crime and protect the public. It is essential that you comply with all Federal laws and regulations that govern your firearms business. This is critical to carrying out our mission to protect the public and to ensure that criminals do not gain access to firearms. ATF appreciates the efforts you and other industry members make in this area. We look forward to continuing to work with you in that regard.

You are reminded that retention of your Federal firearms license is conditioned upon your compliance with Federal laws and regulations. Any future violations, either repeat or otherwise, could be viewed as willful and may result in the revocation of your license. Please ensure that future compliance is achieved.

Mr. Joseph Reaves Merritt, II
Honeycutt Pawn & Variety

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

Sincerely yours,

(b)(6)

Area Supervisor

Enclosure

c: Federal Firearms Licensing Center