

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) HALL, Mark E Hall's Gun Shop 804 Main Street West Baudette, MN 56623-0825, Lake of the Woods		2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 778035-2016-0071-B1B		
		3. PERMIT/LICENSE NUMBER 341077084G36667	4a. TARGET DATE	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, 10/06/2015				
8. PURPOSE/SPECIAL INSTRUCTIONS Recall. Ensure 12 months has passed from previous onsite inspection.				
9. INSPECTION RESULTS <input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC				
NO. OF VIOLATIONS	13	NO. OF REFERRALS		10. TRAVEL EXPENSES (OPTIONAL)
NO. OF TECS CHECKS	3	NO. OF TECS HITS		2111 - PER DIEM
NO. OF TAX ADJUSTMENTS		\$ VALUE OF TAX INCREASES		2112 - P.O.A.
		\$ VALUE OF TAX DECREASES		2113 - COMM. AIR
NO. OF ASSESSMENTS		\$ VALUE OF ASSESSMENTS		2114 - RENTAL CAR
NO. OF CLAIMS		\$ VALUE OF CLAIMS		2115 - GPV EXPENSES
NO. OF TAX PERIODS		\$ VALUE OF TAXES VERIFIED		2116 - MISC.
				TOTAL \$ FOR INSP.
11. ATF OFFICER'S RECOMMENDATION Submitted by (b) (6) - Industry Operations Investigator Submitted on: 09/19/2016 Viols and Revocation / Denial of Renewal App				
12. TIME ACCOUNTING DATA				
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b) (6)				
JUL 2016		28.00		
ATF OFFICER'S SUBTOTAL		28.00		
		ATF OFFICER'S SIGNATURE		
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b) (6)				
JUL 2016		33.00		
AUG 2016		37.00		
SEP 2016		22.00		
MAR 2017		20.00		
ATF OFFICER'S SUBTOTAL		112.00		
		ATF OFFICER'S SIGNATURE		
TOTAL HOURS		140.00		

Assignment and Report

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	3. PERMIT/LICENSE NUMBER 341077084G36667	4a. TARGET DATE	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

I concur with the recommendation of Recocation due to the preponderance of repeat violations, the fact that a WC was merited in 2014 (this inspection meets WC criteria), The FFL has put many unmarked imported firearms into commerce even though he new they needed to be marked, and there are firearms missing from inventory after reconciliation.

Viols and Revocation / Denial of Renewal App

☒ REVIEWED ☒ CONCUR ☐ SEE COMMENTS ☐ FINAL DISPOSITION

SIGNATURE AND TITLE (b) (6) - Area Supervisor	REVIEW DATE 09/29/2016
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REVIEW COMMENTS AND RECOMMENDATION

The inspection disclosed numerous significant violations, including (among others) failure to record both the acquisition and disposition of firearms, failure to properly mark firearms imported, failure to execute an ATF Form 4473 and failure to retain required records (Form 6 and 6A). These findings support a recommendation of revocation.

Viols and Revocation / Denial of Renewal App

☒ REVIEWED ☒ CONCUR ☒ SEE COMMENTS ☒ FINAL DISPOSITION

SIGNATURE AND TITLE HCHUMMEL - Director, Industry Operations	REVIEW DATE 10/17/2016
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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 HALL, Mark E Hall's Gun Shop	Street Address 804 Main Street West	City Baudette	State MN	Zip Code 56623-0825	County Lake of the Woods	Page 1 of 6 Pages
License/Permit/Registry Number (If any) 341077084G36667		Expiration Date 7/1/2017		Date(s) or Period of Inspection 07/25/2016 through 07/26/2016		

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 to properly identify firearms imported by engraving, casting, stamping (impressing), or otherwise conspicuously placing on the frame, receiver, or barrel the required information.

- There were 1 firearms which were imported during the inspection period that were not marked.

Citation: 27 CFR 478.92(a)(1)

Date Corrections to be Made: 08/03/2016

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Licensee will ensure that all imported firearms are marked within 15 days of receiving them into his inventory. The importer marks will contain Mr. Hall's FFL name or DBA and the city and state the business premise is located in.

Number: 2

Nature of Violation:

Failure to properly record acquisition information for firearms imported or otherwise acquired.

There were 3 instances with incorrect information in the A&D Record:

- There were 1 firearms with no acquisition information.
- There were 1 duplicate entry.
- There were 1 firearms with incomplete or incorrect acquisition information.

Citation: 27 CFR 478.122(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Immediately enter late acquisitions into the A&D Record. Ensure that all firearm acquisitions have name and FFL number or name and complete address.

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Name of Proprietor HALL, Mark E Hall's Gun Shop	Street Address 804 Main Street West	City Baudette	State MN	Zip Code 56623-0825	County Lake of the Woods	Page 2 of 6 Pages
License/Permit/Registry Number (If any) 341077084G36667		Expiration Date 7/1/2017		Date(s) or Period of Inspection 07/25/2016 through 07/26/2016		

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 maintain importer records of disposition to another licensee.
- There **[REDACTED]** missing firearms
 - There **[REDACTED]** firearms transferred to a FFL whose disposition was not recorded
- Citation: 27 CFR 478.122(b)
- Date Corrections to be Made:
(If not corrected immediately)
- Corrective Action to be Taken: The licensee will immediately complete and submit ATF Form 3310.11, Report of Theft or Loss of Firearms. Once the form is submitted, licensee will dispose of missing and late dispositions in the A&D Record.
- Number: 4
- Nature of Violation:
- Failure to timely record firearm disposition information to non-licensee's.
- There **[REDACTED]** dispositions via ATF Form 4473 that were not recorded in the A&D Record.
- Citation: 27 CFR 478.122(d)
- Date Corrections to be Made:
(If not corrected immediately)
- Corrective Action to be Taken: Licensee will immediately dispose of transferred firearms out of the A&D Record.
- Number: 5
- Nature of Violation:
- Failure to properly maintain A&D Record for "repair" firearms.
- The record is not in the proper format and does not contain the required information.
- Date Corrections to be Made:
(If not corrected immediately)
- Corrective Action to be Taken: The licensee will ensure that the A&D Record is properly maintained as required.

U.S. Department of Justice

Bureau of Alcohol, Tobacco, Firearms and Explosives

Report of Violations

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Name of Proprietor	Street Address	City	State	Zip Code	County	Page 3 of 6 Pages
HALL, Mark E Hall's Gun Shop	804 Main Street West	Baudette	MN	56623-0825	Lake of the Woods	

License/Permit/Registry Number (If any)	Expiration Date	Date(s) or Period of Inspection
341077084G36667	7/1/2017	07/25/2016 through 07/26/2016

Inspection Results

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

Citation: 27 CFR 478.125(e)

Number: 6

Nature of Violation:
Failure to obtain an ATF Form 4473 prior to the transfer of a firearm.

- There (b)(3) - PUBLIC LAW instance where a firearm was transferred without an ATF Form 4473.

Citation: 27 CFR 478.124(a)

Number: 7

Nature of Violation:
Failure to retain ATF Form 6 and 6A.

- There (b)(3) - PUBLIC LAW ATF Forms 6 (b)(3) - PUBLIC LAW ATF Forms 6A that were not kept on file with the FFL. The ATF Forms 6A contained a total of nine imported firearms.

Citation: 27 CFR 478.129(d)

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

Corrective Action to be Taken: The licensee will ensure all transfers to non-licensee's are via a properly completed ATF Form 4473.

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RIP

For Official Use Only

ATF E-Form 5030 5
Revised April 2005

Report of Violations

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Name of Proprietor HALL, Mark E Hall's Gun Shop	Street Address 804 Main Street West	City Baudette	State MN	Zip Code 56623-0825	County Lake of the Woods	Page 4 of 6 Pages
License/Permit/Registry Number (If any) 341077084G36667		Expiration Date 7/1/2017	Date(s) or Period of Inspection 07/25/2016 through 07/26/2016			

Inspection Results

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

- Number:** 8

Nature of Violation:
Failure to obtain a properly completed Section A of the ATF Form 4473.

- There (b)(3)-(F)(b)(6) forms with errors on questions 2, 3, and/or 17

Citation: 27 CFR 478.124(c)(1)

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

Corrective Action to be Taken: The licensee will ensure a properly completed ATF Form 4473 is obtained prior to the transfer of a firearm to a non-licensee.
- Number:** 9

Nature of Violation:
Failure to properly document the transferee's identification on the ATF Form 4473.

- There (b)(3)-(F)(b)(6) forms with errors on question 20a

Citation: 27 CFR 478.124(c)(3)(i)

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

Corrective Action to be Taken: The licensee will ensure the transferee is properly identified on the ATF Form 4473 prior to the transfer of a firearm to a non-licensee.
- Number:** 10

Nature of Violation:
Failure to properly document NICS transaction information.

- There (b)(3)-(F)(b)(6) forms with errors on questions 21a and/or 21d

Citation: 27 CFR 478.124(c)(3)(iv)

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

Corrective Action to be Taken: The licensee will ensure that all NICS transaction information is properly recorded on the ATF Form 4473.

Report of Violations

Instructions

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Name of Proprietor HALL, Mark E Hall's Gun Shop	Street Address 804 Main Street West	City Baudette	State MN	Zip Code 56623-0825	County Lake of the Woods	Page 5 of 6 Pages
License/Permit/Registry Number <i>(If any)</i> 341077084G36667		Expiration Date 7/1/2017		Date(s) or Period of Inspection 07/25/2016 through 07/26/2016		

Inspection Results

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

Number: 11

Nature of Violation:
Failure to sign and/or date the ATF Form 4473.

- There (b)(3)-Public forms with errors on questions 34 and/or 36

Citation: 27 CFR 478.124(c)(5)

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

Corrective Action to be Taken: The licensee will ensure that all ATF Forms 4473 are signed and dated prior to the transfer of a firearm.
(If not corrected immediately)

Number: 12

Nature of Violation:
Failure to complete forms as indicated in instructions.

- Ther (b)(3)-Public form with an error on question 19

- Ther form where questions 24 and 25 were blank

- Ther forms with errors on questions 33 and/or 35

- Ther instance where FFL used an obsolete ATF Form 4473

Citation: 27 CFR 478.21(a)

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

Corrective Action to be Taken: The licensee will ensure that the proper ATF Form 4473 is used prior to all transactions. The licensee will also ensure that the ATF Form 4473 is completed properly prior to the transfer of a firearm.
(If not corrected immediately)

Report of Violations

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License/Permit/Registry Number <i>(If any)</i> 341077084G36667		Expiration Date 7/1/2017		Date(s) or Period of Inspection 07/25/2016 through 07/26/2016		

Inspection Results

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

Number: 13

Nature of Violation:

Failure to retain records at the business premise.

- Licensee was not maintaining his required records (ATF Forms 6 and 6a) at the business premise.

Citation: 27 CFR 478.121(a)

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

Corrective Action to be Taken: The licensee will ensure that all required records are maintained at the business premise listed on the FFL.
(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

Notice to Revoke or Suspend License and/or Impose a Civil Fine

In the matter of License Number 3-41-077-08-7G-36667

, as to/on

Importer of Firearms Other than Destructive Devices

issued to:

Name and Address of Licensee (Show number, street, city, State and ZIP Code)

Mark E. Hall
d/b/a Hall's Gun Shop
804 West Main Street
Baudette MN 56623

Notice Is Hereby Given That:


Pursuant to the statutory provisions and reasons stated in the attached page(s), the Director or his/her designee, Bureau of Alcohol, Tobacco, Firearms and Explosives, intends to take action on the license described above.

- ☒ The above identified license may be revoked pursuant to 18 U.S.C. 922(e), 922(i)(5) or 924(p).
- ☐ The above identified license may be suspended pursuant to 18 U.S.C. 922(i)(5) or 924(p).
- ☐ The above identified licensee may be fined pursuant to 18 U.S.C. 922(i)(5) or 924(p).

Pursuant to U.S.C. 923(f)(2) and/or 922(i)(5), you may file a request with the Director of Industry Operations, Bureau of Alcohol, Tobacco, Firearms and Explosives, at 30 E. Seventh Street, Suite 1900, St. Paul, MN 55101, in duplicate, for a hearing to review the revocation, suspension and/or fine of your license. The request must be received at the above address within 15 days of your receipt of this notice. Where a timely request for a hearing is made, the license shall remain in effect pending the outcome of the hearing; and if the license is due to expire, the license will remain in effect provided a timely application for renewal is also filed. The hearing will be held as provided in 27 CFR Part 478.

If you do not request a hearing, or your request for a hearing is not received by ATF on time, a final notice of revocation, suspension, and/or imposition of civil fine (ATF Form 5300.13) shall be issued.

☒ Please see included brochure

Date	Name and Title of Bureau of Alcohol, Tobacco, Firearms and Explosives Official	Signature
11/18/2016	Hans C. Hummel/Director, Industry Operations	 (b) (6)

I certify that on the date shown below I served the above notice on the person identified below by:

- ☒ Certified mail to the address shown below,
Tracking Number: 70122210000248442696 Or ☐ Delivering a copy of the notice to the address shown below.

Date Notice Served	Title of Person Serving Notice	Signature of Person Serving Notice
11/18/2016	(b) (6) Senior Operations Officer	(b) (6)

Print Name and Title of Person Served
Mark E. Hall, d/b/a Hall's Gun Shop

Address Where Notice Served
804 West Main Street, Baudette MN 56623

Mark E. Hall
Hall's Gun Shop
804 West Main Street
Baudette, MN 56623
FFL # 3-41-077-08-7G-3667

STP-16-231011

Under the provisions of 18 U.S.C. § 923(e) and 27 C.F.R. § 478.73, notice is hereby given of the revocation of the Federal firearms license specified above, in that the Director, Industry Operations, United States Department of Justice, Bureau of Alcohol, Tobacco, Firearms and Explosives ("ATF"), St. Paul Field Division, has reason to believe that Mark E. Hall, d/b/a Hall's Gun Shop at 804 West Main Street, Baudette, MN 56623 ("Licensee"), an Importer of Firearms Other than Destructive Devices, willfully violated the provisions of the Gun Control Act of 1968, as amended, 18 U.S.C. Chapter 44, and the regulations issued thereunder, 27 C.F.R. Part 478.

Compliance History

ATF issued a Federal firearms license to the Licensee following a qualification inspection conducted in 1996. ATF conducted a compliance inspection of the Licensee in 2007. Following the inspection, ATF issued a Report of Violations to the licensee. The Licensee held a second, pawn brokers license that was also inspected in 2007. As a result of that inspection, the Licensee was cited for 3 violations and surrendered the license at the conclusion of the inspection.

In 2013, ATF inspected the Licensee again. Following the inspection, ATF issued a Report of Violations and conducted a warning conference with Mr. Hall during which the cited violations and proposed corrective action were discussed. Following the warning conference, ATF sent the Licensee a letter advising that "future violations, either repeat or otherwise, could be viewed as willful and may result in revocation of your license."

In 2014, ATF inspected the licensee at which time a Report of Violations was issued and a Warning Letter was sent. This letter also advised, "any future violations, either repeat or otherwise, could be viewed as willful and may result in revocation of your license."

Current Inspection

On July 25, 2016 ATF initiated a compliance inspection of the Licensee's premises that covered the period July 26, 2015 to July 25, 2016. The following violations were identified as willful:

Marking Violations

1. The Licensee, willfully failed to legibly identify (b) (3) - Public firearms, with information required by 478.92. in violation of 18 USC 923(i) and 478.112(d). See Appendix paragraph 1.

Recordkeeping Violations

2. The Licensee willfully failed to record the importation of firearms [REDACTED] occasions, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.122(a). See Appendix paragraph 2.
3. The Licensee willfully failed to record the disposition of firearms to another licensee or non-licensee [REDACTED] occasions in violation of 18 USC § 923(g)(1)(A) and 27 C.F.R. § 478.122(b) and/or (d). [REDACTED] instances, the disposition of the firearm was not determined and it was reported as "missing". See Appendix paragraph 3.

Failure to Retain Records

4. The Licensee, willfully failed to retain required records on [REDACTED] occasions, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.129(d). See Appendix paragraph 4.

ATF Form 4473 Violations

5. The Licensee, willfully sold or otherwise disposed of a firearm to an unlicensed person without recording the transaction on a firearms transaction record, ATF Form 4473, on [REDACTED] occasion, in violation of 18 U.S.C. §§ 922(b)(5); 923(g)(1)(A) and 27 C.F.R. § 478.124(a). See Appendix paragraph 5.
6. The Licensee, willfully transferred a firearm to a non-licensee without recording required NICS information on the Form 4473 on [REDACTED] occasions, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(iv). See Appendix paragraph 6.

Appendix

Paragraph 1: Unmarked Imported Firearms

Acquired	Make	Model	Serial #	Type	Imported From
(b) (3) - Public Law 112-55 (125 Stat. 552)					

Paragraph 2:

	Date acquired	Make	Model	S/N	Type	Error
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(b) (3) - Public Law 112-55 (125 Stat. 552)



Paragraph 3:

	Make	Model	S/N	Type	Disposition error
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(b) (3) - Public Law 112-55 (125 Stat. 552)



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

Paragraph 4

Form 6's/Permit #'s	Discrepancy
(b) (3) - Public Law 112-55 (125 Stat. 552)	

6A's/Permit #'s	Discrepancy
(b) (3) - Public Law 112-55 (125 Stat. 552)	

Paragraph 5

Transferee	Date	Discrepancy
(b) (3) - Public Law 112-55 (125 Stat. 552)		

Paragraph 6

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

EXPLANATION OF THE HEARING PROCESS



Hearings

A determination has been made to deny your original or renewal application for a Federal firearms license or to revoke your existing Federal firearms license.

As indicated on the enclosed form, you have the right to request a hearing. This brochure provides general guidance and an overview of the hearing process for industry members that may assist you in making a decision to request a hearing, and to appropriately prepare for a hearing should you request one.

Background

The Gun Control Act of 1968 and its implementing regulations specify certain licensing requirements for those intending to engage in a firearms business.

ATF is authorized to deny a license when an inspection reveals the applicant is not qualified to receive or not qualified to continue to hold the license. ATF may also revoke a license when it is determined that a

current licensee is no longer eligible to continue licensed operations.

Your Rights

ATF has made one of the above determinations in your case, issuing you either a Notice of Denial or a Notice of Revocation of License. You have the right to request a hearing to review the proposed denial or revocation action found in the notice you received. This is done by submitting written notification to the Director, Industry Operations (DIO) who issued your Notice. Timeliness is important. *You only have 15 days from your receipt of the Notice to request a hearing.*

Although you may hire an attorney, it is not required, although it may be in your interest to do so. That is your option.

Hearing Overview

If you submit a letter requesting a hearing to the DIO in time, the DIO or his/her representative will begin to make arrangements for the hearing. The date and time of the hearing will be set by ATF, but you will be consulted as to your availability. ATF will also notify you of the location of the hearing, taking into consideration convenience to you and the availability of government office space that is close to you to conduct the hearing. Once the date, time, and place are set, you will be notified in writing (via certified mail, return receipt requested).

NOTE: Under no circumstances will you, your representative, or witnesses be permitted to bring firearms or any other

EXPLANATION OF THE HEARING PROCESS

weapons to the hearing. The hearing will not begin, or will cease, if it is determined this policy has been violated.

The hearing is generally scheduled not later than 90 days from the date of the letter notifying you of the date, time, and location of the hearing. There are, however, limited circumstances that may require the hearing to be rescheduled for good cause, as determined by the DIO.

The hearing itself is informal in nature, and adherence to civil court rules and procedures is not required. There is no sworn testimony and formal courtroom procedures are not required. The hearing is recorded via audiotape recorder. The resulting tape, along with exhibits presented at the hearing, constitute the official record of the hearing.

ATF does not videotape the hearing proceedings and you will not be allowed to videotape the hearing. You may make an audiotape recording of the proceedings, or have the proceedings recorded by a stenographer at your own expense, provided this recording is not disruptive to the proceedings. However, the ATF recording of the hearing is the official record of the proceeding.

Hearing Officer

The hearing officer is designated by ATF. The selection of the hearing officer is dependent upon a number of factors, including the nature of your case. A hearing officer will be selected who has no prior knowledge of your case and has had no interactions with you or your licensed operations. In most cases, the assigned hearing officer will come from outside the

ATF field division in which your licensed business is located.

Conduct of the Hearing

The hearing officer will ensure the proceedings are conducted in an orderly and professional manner. The purpose of the hearing is to allow both parties to fully present all relevant evidence and arguments regarding the denial or revocation of a license or permit. Most hearings require less than a single day to complete.

The government will be represented by an attorney and will present its evidence first. The government will generally call as a witness the ATF industry operations investigator(s) who conducted your application or compliance inspection, or other ATF employees who have relevant information concerning your case.

At the conclusion of the government's presentation, you will have the opportunity to respond. Make sure you state your case as clearly and factually as possible. The case you present will receive the same consideration by the hearing officer as the government's case. Be willing and prepared to address each violation described in the Notice you received. You may call witnesses. Your witnesses should be able to speak to the findings in the Notice, and may be, for example, the store manager, an employee, bookkeeper, or clerk. You may also present relevant evidence. Relevant evidence is evidence which tends to prove or disprove an issue at the hearing, such as whether the alleged violation occurred as stated in the Government's Notice of Denial or Revocation.

EXPLANATION OF THE HEARING PROCESS

Both parties have the right to question all witnesses. The party calling a witness shall have the right to re-direct examination of the witness. You should need no legal training to state your case. The most important consideration is that both parties –you and the government – are given a chance to fully explain the findings and violations disclosed during the application inspection or compliance inspection.

When the hearing officer is satisfied all evidence and arguments have been fully presented by the parties, the hearing officer will advise you that the DIO will make a decision in the matter and will notify you of the final decision in writing.

Following completion of the hearing, the hearing officer prepares a factual report summarizing the proceedings. This report will be forwarded to the DIO, who makes the denial or revocation decision for ATF.

A license may be denied based on your failure to satisfy licensing requirements, or based on past willful violations.

Generally speaking, ATF will cite willful violations as the basis for revocation cases. Willful violations are those violations meeting the statutory requirement for denial or revocation. "Willfulness," as defined by the courts means the purposeful disregard of a known legal duty, or plain indifference to a licensee's legal obligation. ATF is not required to prove you *intended* to violate the law, only that you knew your legal obligation as a licensee, and you purposefully disregarded this obligation or were plainly indifferent to your obligation.

If, after review of the entire record, you failed to satisfy licensing requirements, or willful violations are found, the DIO may issue a final notice of denial or revocation, which will be sent to you via certified mail.

If you are not satisfied with the final decision of the DIO, you may appeal the decision to Federal district court within 60 days. The hearing proceedings may become part of the review.

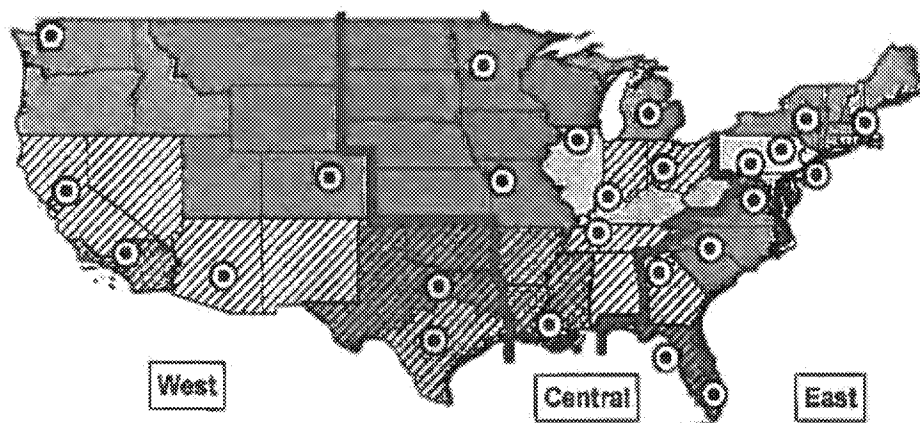
EXPLANATION OF THE HEARING PROCESS

If you have any questions concerning the hearing, please contact the DIO for the ATF division in which you are located.

Atlanta, GA	(404) 417-2600
Baltimore, MD	(443) 965-2000
Boston, MA	(617) 557-1200
Charlotte, NC	(704) 716-1800
Chicago, IL	(312) 846-7200
Columbus, OH	(614) 827-8400
Dallas, TX	(469) 227-4300
Denver, CO	(303) 575-7600
Detroit, MI	(313) 202-3400
Houston, TX	(281) 716-8200
Kansas City, MO	(816) 559-0700
Los Angeles, CA	(818) 265-2500
Louisville, KY	(502) 753-3400

Miami, FL	(305) 597-4800
Nashville, TN	(615) 565-1400
New Orleans, LA	(504) 841-7000
New York, NY	(646) 335-9000
Newark, NJ	(973) 413-1179
Philadelphia, PA	(215) 446-7800
Phoenix, AZ	(602) 776-5400
San Francisco, CA	(925) 557-2800
Seattle, WA	(206) 204-3205
St. Paul, MN	(651) 726-0200
Tampa, FL	(813) 202-7300
Washington, DC	(202) 648-8020

ATF Field Divisions



Industry Operations Regions

North (No Hatching)

South (Hatching)

ATF Field Divisions

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Kansas City
Los Angeles
Louisville
Miami
Nashville
New Orleans

New York
Newark
Philadelphia
Phoenix
Saint Paul
San Francisco
Seattle
Tampa
Washington



Final Notice of Denial of Application, Revocation Suspension and/or Fine of Firearms License

In the matter of:

- ☐ The application for license as w/an _____, filed by:
or
☒ License Number 3-41-077-08-7G-36667 as w/an
Importer of Firearms other than Destructive Devices, issued in:

Name and Address of Applicant or Licensee (Show number, street, city, state and ZIP Code)

Mark E. Hall
d/b/a Hall's Gun Shop
804 Main Street West
PO Box 825
Baudette, MN 56623

Notice is Hereby Given That:

- ☐ A request for hearing pursuant to 18 U.S.C. § 923(f)(2) and/or 922(i)(5) was not timely filed. Based on the findings set forth in the attached document, your
- ☐ license described above is revoked pursuant to 18 U.S.C. 923(e), 922(i)(5) or 924(p), effective:
- ☐ 15 calendar days after receipt of this notice, or ☐ _____.
- ☐ license is suspended for _____ calendar days, effective _____, pursuant to 18 U.S.C. § 922(i)(5) or 924(p).
- ☐ licensee is fined \$ _____, payment due: _____, pursuant to 18 U.S.C. § 922(i)(5) or 924(p).
- ☒ After due consideration following a hearing held pursuant to 18 U.S.C. § 923(f)(2) and/or 922(i)(5), and on the basis of findings set out in the attached copy of the findings and conclusions, the Director or his/her designee concludes that your
- ☐ application for license described above is denied, pursuant to 18 U.S.C. 923(d).
- ☐ application for renewal of license described above is denied pursuant to 18 U.S.C. 923(d), effective:
- ☐ 15 calendar days after receipt of this notice, or ☐ _____.
- ☒ license described above is revoked pursuant to 18 U.S.C. 923(e), 922(i)(5) or 924(p), effective:
- ☒ 15 calendar days after receipt of this notice, or ☐ _____.
- ☐ license is suspended for _____ calendar days, effective _____, pursuant to 18 U.S.C. § 922(i)(5) or 924(p).
- ☐ licensee is fined \$ _____, payment due: _____, pursuant to 18 U.S.C. § 922(i)(5) or 924(p).

If, after the hearing and receipt of these findings, you are dissatisfied with this action you may, within 60 days after receipt of this notice, file a petition pursuant 18 U.S.C. § 923(f)(3), for judicial review with the U.S. District Court for the district in which you reside or have your principal place of business. If you intend to continue operations after the effective date of this action while you pursue filing for judicial review or otherwise, you must request a stay of the action from the Director of Industry Operations (DIO), Bureau of Alcohol, Tobacco, Firearms and Explosives, at 30 E. 7th Street, Suite 1900, St. Paul MN 55101, prior to the effective date of the action set forth above. You may not continue licensed operations unless and until a stay is granted by the DIO.

Records prescribed under 27 CFR Part 478 for the license described above shall either be delivered to ATF within 30 days of the date the business is required to be discontinued or shall be documented to reflect delivery to a successor. See 18 U.S.C. 923(g)(4) and 27 CFR § 478.127.

After the effective date of a license denial of renewal, revocation, or suspension, you may not lawfully engage in the business of dealing in firearms. Any disposition of your firearms business inventory must comply with all applicable laws and regulations. Your local ATF office is able to assist you in understanding and implementing the options available to lawfully dispose of your firearms business inventory.

Date 5/1/17	Name and Title of Bureau of Alcohol, Tobacco, Firearms and Explosives Official Hans Hummel/Director, Industry Operations	Signature [Handwritten Signature]
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I certify that, on the date below, I served the above notice on the person identified below by:

☒ Certified mail to the address shown below.

Tracking Number: 7012 2210 0002 4844 2672

Or

☐ Delivering a copy of the notice to the address shown below.

Date Notice Served 5-1-17	Title of Person Serving Notice (b) (6) Senior Operations Officer	Signature of Person Serving Notice (b) (6)
Print Name and Title of Person Served Mark E. Hall - d/b/a Hall's Gun Shop		
Address Where Notice Served 804 Main Street West Boudette Mn 56623		

Note: Previous Edition is Obsolete

Background

Mark E. Hall d/b/a Hall's Gun Shop, 804 West Main Street, Baudette, Minnesota (hereinafter, Licensee), holds Federal firearms license 3-41-077-08-7G-36667 as an importer of firearms other than destructive devices issued by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) pursuant to the Gun Control Act of 1968 (GCA), as amended, 18 U.S.C. Chapter 44, and the regulations issued thereunder, 27 C.F.R. Part 478.

On November 18, 2016, ATF issued a Notice of Revocation of License, ATF Form 4500, to the Licensee. By letter dated December 18, 2016, the Licensee timely requested a hearing to review that Notice.

The hearing was held on March 8, 2017, at the ATF Fargo Field office. The hearing was conducted by ATF Hearing Officer (b) (3) - (26 USC § 6103). ATF was represented by ATF Attorney (b) (6). ATF Industry Operations Investigator (b) (6) appeared as a witness on behalf of the Government. ATF Director of Industry Operations Hans Hummel was present for observational purposes only. The Licensee, Mark E. Hall, was present at the hearing and represented himself. The hearing was recorded and both the Government and Licensee offered testimony and exhibits. The testimony and exhibits introduced at the hearing constitute the record in this proceeding.

Findings of Fact

Having reviewed the record in this proceeding, I make the following findings:

1. Licensee obtained a Federal firearms license in 1996 after a qualification inspection was conducted. In 2007, compliance inspections were conducted on the two different licenses held by Mr. Hall, the importer's license and the pawnbroker's license. Three record keeping violations were cited against the pawnbroker's license and the license was surrendered. Three violations were also cited against the importer's license (the license at issue in the instant matter). A Report of Violations was issued and corrective actions were discussed.
2. In 2013, ATF conducted a compliance inspection of the license at issue, resulting in the issuance of a Report of Violations identifying six violations. At the conclusion of the inspection, ATF conducted a Warning Conference to review the violations and address the need for improved compliance with Mr. Hall.
3. In 2014, ATF conducted another compliance inspection resulting in the issuance of a Report of Violations listing four violations. Specific to this inspection was the issue of properly marking firearms imported from outside of the United States. Licensee indicated that he understood the requirements, but had been experiencing health issues that impacted his ability to comply. Additionally, according to the exhibits, ATF reviewed importer record requirements with the Licensee. A Warning Letter was issued reminding Licensee that future violations could result in the revocation of the license.

4. In 2007, 2013 and 2014, Licensee reviewed and signed an Acknowledgement of Federal Firearms Regulations.
5. On or about July 25, 2016, ATF conducted a compliance inspection at Licensee's premise. The violations found during this inspection form the basis for the Notice of Revocation.
6. The Notice alleged that Licensee willfully committed the following violations:
 - a. Licensee, willfully failed to legibly identify [REDACTED] firearms, with information required by 478.92 in violation of 18 USC 923(i) and 478.112(d).
 - b. Licensee willfully failed to record the importation of firearms [REDACTED] occasions, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.122(a).
 - c. Licensee willfully failed to record the disposition of firearms to another licensee or non-licensee on [REDACTED] occasions in violation of 18 USC § 923(g)(1)(A) and 27 C.F.R. § 478.122(b) and/or (d). In [REDACTED] instances, the disposition of the firearm was not determined, requiring them to ultimately be reported as "missing".
 - d. Licensee, willfully failed to retain required records for a period of not less than 20 years after the date of sale or disposition on approximately [REDACTED] occasions, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.129(d).
 - e. Licensee, willfully sold or otherwise disposed of a firearm to an unlicensed person without recording the transaction on a firearms transaction record, ATF Form 4473, on [REDACTED] occasion, in violation of 18 U.S.C. §§ 922(b)(5); 923(g)(1)(A) and 27 C.F.R. § 478.124(a).
 - f. Licensee, willfully transferred a firearm to a non-licensee without recording required NICS information on the Form 4473 on [REDACTED] occasions, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(iv).
7. During the hearing, Licensee admitted that the violations detailed in the Notice of Revocation occurred, but argued that such violations were not committed willfully.

After review of the record in this matter, I find that the facts as set forth in the Notice of Revocation occurred.

Conclusions of Law

1. Pursuant to the GCA, ATF may, after notice and opportunity for hearing, revoke a Federal firearms license if the licensee has willfully violated any provision of the GCA or the regulations issued thereunder. 18 U.S.C. § 923(e); 27 C.F.R. § 478.73.

2. "For the government to prove a willful violation of the federal firearms statutes, it need only establish that a licensee knew of its legal obligation and 'purposefully disregarded or was plainly indifferent to the record-keeping requirements.'" On Target Sporting Goods, Inc. v. Atty Gen. of the United States, 472 F.3d 572, 575 (8th Cir.2007) (quoting Lewin v. Blumenthal, 590 F.2d 268, 269 (8th Cir.1979)). "The government is not required to show that the violations occurred with any bad purpose." Id. See also, McCallister v. U.S. Dep't of Justice, Bureau of Alcohol, Tobacco, Firearms & Explosives, No. 2:11CV00020 ERW, 2012 WL 381247, at *4 (E.D. Mo. Feb. 6, 2012) and Thurmond v. DOJ, 2014 WL 5320487 (E.D. Mo. 10/17/14).

"Improper recordkeeping is a serious violation. When the Act was enacted, Congress was concerned with the widespread traffic in firearms and with their general availability to those whose possession thereof was contrary to the public interest." Fin & Feather Sport Shop, Inc. v. U. S. Treasury Dept., 481 F.Supp. 800 (Neb. 1979) (*internal cites omitted*). Therefore, record keeping requirements are a critical basis for the regulation of the firearms industry, and indifference to those requirements can result in revocation.

Arguing that errors were the result of human mistakes or lack of effort is irrelevant to the standard of willfulness. "The recordkeeping requirements imposed by the GCA are, by their very nature, highly technical. Compliance therefore requires extreme vigilance." Garner v. Lambert, 558 F.Supp.2d 794, 804 (N.D. Ohio 2008). To use inadvertence or insignificance as an argument to overcome willfulness ignores the intent of the Gun Control Act itself.

3. For the reasons stated below, I conclude that Licensee's conduct constitutes willful violations.
4. The evidence and testimony presented at the hearing reveals that Licensee understood the requirements concerning recording acquisition and disposition of firearms, marking imported firearms, maintaining records and proper completion of Forms 4473. Although Mark Hall stated at the hearing that he was unaware of the requirement to maintain import records and uncertain as to specific marking requirements, the violations cited were repeat in nature and had been explained in detail at past closing and Warning conferences. In addition, ATF reviewed the applicable laws and regulations with the Licensee during the 2007, 2013 and 2014 compliance inspections. ATF repeatedly advised that future violations, repeat or otherwise, could result in revocation.

Specifically, the failure to mark firearms was an issue from the 2014 inspection that was not remedied by the Licensee. Mr. Hall failed to appreciate the significance of this violation and as such, made no attempt to comply during the period between the 2014 and 2016 inspections. This resulted in the distribution of untraceable firearms back into the United States stream of commerce. This poses a particular concern for public safety that must be taken into account.

Furthermore, Mr. Hall had no explanation for acquisition and disposition errors, including the determination that eleven firearms were not in inventory and the disposition

remains unknown. These “missing firearms” along with Mr. Hall’s failure to ensure traceability of imported firearms are violations that cannot be excused.

5. Licensee expressed concern that ATF does not do enough for licensees to help them comply with the laws and regulations. This further supported my decision that the Licensee’s conduct was willful because it shows his plain indifference to his responsibilities. Licensee has been inspected and instructed on proper compliance three times in the last four years. Despite this direct contact with ATF, the quantity of violations continued to increase. When action was taken against the license, Mr. Hall did not explain the errors or offer a substantive plan to improve compliance in the future.
6. As such, I conclude that the Licensee willfully violated the provisions of the GCA and the regulations issued thereunder. Accordingly, as provided by 18 U.S.C. § 923(e) and 27 C.F.R. § 478.73, the Federal firearms license held by Mark E. Hall is hereby **REVOKED**.

Dated this 1st day of May 2017

A handwritten signature in black ink, appearing to read 'H. C. Hummel', is written over a horizontal line.

Hans C. Hummel
Director, Industry Operations
St. Paul Field Division
Bureau of Alcohol, Tobacco, Firearms and Explosives
United States Department of Justice



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Washington, DC

www.atf.gov

IMPORTANT NOTICE

Selling Firearms AFTER Revocation, Expiration, or Surrender of an FFL

Former Federal Firearms licensees (FFL's) who continue to sell firearms after the revocation, expiration, or surrender of their license are subject to the same rules as persons who have never been licensed in determining whether they are "engaged in the business" of selling firearms without a license in violation of 18 U.S.C. § 922(a)(1)(A). Accordingly, former licensees who wish to dispose of any remaining business inventory must adhere to the following guidance:

Business inventory must be disposed of by the former FFL in a manner that, objectively, does not constitute being engaged in the business of dealing in firearms using the same facts and circumstances test that would apply to persons who have never been licensed.

The preferred manner of disposition is for the former licensee to:

- Arrange for another FFL to purchase the business inventory (and other assets) of the business; or
- Consign the inventory to another FFL to sell on consignment, or at auction.

Should a former FFL decide against those options, he/she should be aware that future sales – whether from his/her personal firearms collection or otherwise – will be evaluated for a potential violation of 18 U.S.C. § 922(a)(1)(A), just as would occur with a person who had never been licensed.

If a former FFL is disposing of business inventory, the fact that no purchases are made after the date of license revocation, expiration, or surrender does not immunize him/her from potential violations of 18 U.S.C. § 922(a)(1)(A). Instead, business inventory acquired through repetitive purchases while licensed are attributed to the former FFL when evaluating whether subsequent sales constitute engaging in the business of dealing in firearms without a license.

ATF remains committed to assisting former licensees in complying with Federal firearms laws. If you have questions, please contact your local ATF office.

Andy R. Graham
Deputy Assistant Director (Industry Operations)
Field Operations



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

30 East Seventh Street, Suite 1900
St. Paul MN 55101

www.atf.gov

778000:KM
5300

SENT VIA FEDEX

May 18, 2017

Mr. Mark E. Hall
d/b/a Halls' Gun Shop
804 West Main Street
Baudette MN 56623

RE: FFL# 3-41-077-08-7G-36667

Dear Mr. Hall:

On May 1, 2017 a Final Notice of Revocation was sent to you at the address listed above via U.S. Mail, Certified, Return Receipt.

As of May 4, 2017, the Notice is awaiting your pickup and signature at the U.S. Post Office in Baudette, MN. We are requesting that you make arrangements for delivery by the U.S. Postal Service or pick up and sign for the Notice as soon as possible.

Enclosed is a copy of the Notice that is at the Post Office. In lieu of picking up the Notice, you may sign the attached acknowledgement and send back to our office. An envelope is enclosed for your convenience. Your immediate response is requested.

Thank you for your anticipated cooperation.

Sincerely,

Hans C. Hummel
Director, Industry Operations

cc: Area Supervisor

ACKNOWLEDGMENT OF RECEIPT

Mr. Mark E. Hall
d/b/a Halls' Gun Shop
804 West Main Street
Baudette MN 56623

RE: FFL# 3-41-077-08-7G-36667

I hereby confirm the receipt of the Final Notice of Revocation to the Federal firearms licensee referenced above and waive the requirements of personal service or service by certified mail set forth in 27 CRF 478.75.

Mark E. Hall

Date