

Assignment and Report

| | | | |
|--|---|------------------------------|------------------------|
| 1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Grayskull Armory LLC Grayskull Armory 22871 West Solano Drive Buckeye, AZ 85326, Maricopa | 2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 785050-2016-0044-B1B | | |
| | 3. PERMIT/LICENSE NUMBER 986013076A05978 | 4a. TARGET DATE 3/31/2016 | 4b. TARGET HOURS 70 |
| | 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, 10/01/2015

8. PURPOSE/SPECIAL INSTRUCTIONS
Conduct a full scope SWB-DE (Manufacturer) compliance inspection while evaluating for trafficking indicators; Assure compliance with current provisions of GCA/NFA. Retain hardcopies of issued ROV (if any) and/or Ack of Regs for file retention.

| 9. INSPECTION RESULTS | | <input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC | 10. TRAVEL EXPENSES (OPTIONAL) | |
|------------------------|---|---|--------------------------------|---------------------|
| NO. OF VIOLATIONS | 5 | NO. OF REFERRALS | | 2111 - PER DIEM |
| NO. OF TECS CHECKS | 3 | 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: 01/05/2016

Viols WC with WL and Recall

| 12. TIME ACCOUNTING DATA | | |
|---|--------|-------------------------|
| ATF OFFICER'S NAME (MONTH, YEAR, HOURS) | (b)(6) | |
| DEC 2015 | 18.50 | |
| ATF OFFICER'S SUBTOTAL | 18.50 | ATF OFFICER'S SIGNATURE |
| TOTAL HOURS | 18.50 | |

| 13. REVIEW AND ROUTING | |
|--|--|
| REVIEW COMMENTS AND RECOMMENDATION | |
| <p>Field inspection performed 12/11-12/16/15; the licensee was issued a ROV for four low-volume recordkeeping violations and a single conduct of business violation. Although the licensee's failure to conduct a NICS check merits a Warning Conference by policy, it is alternatively recommended that the licensee receive the Warning Letter and Recall inspection for the following reasons: (1.) despite assurances by the licensee to the contrary, the (b)(3) 112 Public Law 55-125 violation was ultimately cited as the licensee could not prove the check was performed (the transaction occurred beyond the NICS Audit Log verification period); (2.) post-inspection background queries of the purchaser revealed no prohibitive background; (3.) the licensee's relatively low-volume impact upon interstate firearm commerce (transacting only nine firearms in the last 12 months); and (4.) the licensee's absence of a compliance history.</p> <p>With DIO concurrence, a Warning Letter was generated and sent to the licensee (via certified post with return receipt) on 01/07/16; a Recall inspection was also staged (for compliance reassessment) this same day. No further field action required at this time.</p> <p>Viols WL ONLY and Recall Inspection</p> | |

| | |
|---|---------------------------|
| <input checked="" type="checkbox"/> REVIEWED <input type="checkbox"/> CONCUR <input checked="" type="checkbox"/> SEE COMMENTS <input checked="" type="checkbox"/> FINAL DISPOSITION | |
| SIGNATURE AND TITLE (b)(6) - Area Supervisor | REVIEW DATE 01/05/2016 |

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13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

I concur with the Area Supervisor's alternate recommendation of Warning Letter and Recall inspection.

Viols WL ONLY and Recall Inspection

☒ REVIEWED

☐ CONCUR

☒ SEE COMMENTS

☐ FINAL DISPOSITION

SIGNATURE AND TITLE

MSMITCHEM - Director of Industry Operations

REVIEW DATE

01/06/2016

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 Grayskull Armory LLC Grayskull Armory | Street Address 22871 West Solano Drive | City Buckeye | State AZ | Zip Code 85326- | County Maricopa | Page 1 of 3 Pages |
| License/Permit/Registry Number (If any) 986013076A05978 | Expiration Date 1/1/2016 | Date(s) or Period of Inspection 12/11/2015 through 12/16/2015 | | | | |

Inspection Results

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

Number: 1

Nature of Violation:

Failure to record the manufacture or other acquisition of (b)(3) 112 Public Law 55 125 STAT 552 firearm in the Acquisition and Disposition (A&D) Record (SN (b)(3) 112 Public Law 55 125 STAT 552)

Citation: 27 CFR 478.123(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken: The Licensee used supporting information available to record the acquisition in the A&D records.

(If not corrected immediately)

Number: 2

Nature of Violation:

Failure to record the disposition of (b)(3) 112 Public Law 55 125 STAT 552 firearms to non licensees in the Acquisition and Disposition (A&D) Record (SN (b)(3) 112 Public Law 55 125 STAT 552)

Citation: 27 CFR 478.123(d)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken: The Licensee used supporting information available to record the dispositions in the A&D records.

(If not corrected immediately)

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| Name of Proprietor Grayskull Armory LLC Grayskull Armory | Street Address 22871 West Solano Drive | City Buckeye | State AZ | Zip Code 85326- | County Maricopa | Page 2 of 3 Pages |
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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 on ^{(b)(3) 112} ATF Form 4473, to obtain and record all required transferee information
(b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

IOI ^{(b)(6)} told the Licensee to ensure that for all future ATF Forms 4473, that before transferring a firearm, they must ensure that the Transferee signs Item 16 and records the correct date for Item 17. If they elect to have the Transferee return to make a correction, they are to make a copy of the page needing correction, have the Transferee make the correction on the copy, initial and date the correction, and insert the corrected copy in with the original ATF Form 4473.

Citation: 27 CFR 478.124(c)(1)

Number: 4

Nature of Violation:

Failure on ^{(b)(3) 112} ATF Forms 4473, to properly sign and/or record the correct date of transfer of a firearm
(b)(3) 112 Public Law 55 125 STAT 552 (b)(6)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

IOI ^{(b)(6)} told the Licensee to make a copy of the page needing correction and using the supporting information available, initial and date the correction on the copy, and insert the corrected copy in with the original ATF Form 4473.

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.

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| Name of Proprietor Grayskull Armory LLC Grayskull Armory | Street Address 22871 West Solano Drive | City Buckeye | State AZ | Zip Code 85326- | County Maricopa | Page 3 of 3 Pages |
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Inspection Results

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

Citation: 27 CFR 478.124(c)(5)

Number: 5

Nature of Violation:

Failure on one occasion, to conduct a NICS background check prior to the transfer of a firearm to a non-licensee (b)(6)

Citation: 27 CFR 478.102(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

IOI (b)(6) told the Licensee to ensure that for all future transfers, that before transferring a firearm, they conduct a NICS background check or examine a valid State of Arizona Concealed Carry Permit (CCP), recording either the NICS results or the details of the CCP on the ATF Form 4473.

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

Mark Johnson

Signature (b)(6) 101

Date

12-16-15

Date

12-16-15

For Official Use Only

ATF E-Form 5030.5

Revised April 2005



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

www.atf.gov

Grayskull Armory LLC
Grayskull Armory
22871 West Solano Drive
Buckeye, AZ 85326
RE: 9-86-013-07-6A-05978

January 7, 2016

Mr. Mark Johannsen:

During a recent inspection at your firearms business covering the period of December 11, 2014 to December 11, 2015 you were cited for multiple recordkeeping violations as part 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 the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Industry Operations Investigator. You indicated that you understood the requirements of the firearms laws and regulations and 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 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.

Grayskull Armory LLC

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

Sincerely,

(b)(6)

Phoenix III Area Supervisor

Enclosure

c: Federal Firearms Licensing Center
Phoenix III (IO) Field Office