

A F LUKE ENTERPRISES INC's FCI  
FCI-29914

04/13/2022 08:59 AM

IO: (b)(6) Forth Worth II (IO) Field Office

**GENERAL INFORMATION**

IOI Hours Spent on Inspection  
40.0

**LICENSEE INFORMATION**

Licensee Name	RDS Key	License/Permit Number	License Type
A F LUKE ENTERPRISES INC	5-75-08821	5-75-097-01-2J-08821	01 - Dealer License

Business Type  
Corporation

**Premises Address**

Premises Ownership Type  
Owned

Premises Location Type  
Store Front

Address  
117 N MAIN ST  
Unit N/A  
MUNSTER, Texas 76252  
COOKE United States

**Mailing Address**

Address  
P O BOX 460  
Unit N/A  
MUNSTER, Texas 76252  
United States

Phone Type	Phone Number	Remarks
Business	+1 940-759-2296	
Fax	+1 940-759-4974	

**RECOMMENDATIONS**

Final Decision  
Revocation  
Date  
02/12/2022

Details

FFL Revoked as of 02/12/2022

**Out of Business Records and Inventory Management**

**Licensee Records**

✔ Submitted to an ATF Employee

ATF Employee Name  
IO: (b)(6)

Deputy Assistant Director - Industry Operations Curtis Gilber (b)(6) Recommendation  
Revocation

Details

Concur with revocation recommendation

Acting Special Agent in Charge: (b)(6) Recommendation

Concur with DIO revocation recommendation.

Senior Attorney: (b)(6) Review

Details

Revocation

Director of Industry Operations Krissy Carlson's Recommendation  
Revocation

Details

The licensee was cited for 12 violations, including 27 CFR 478.102(a) Failure to complete a NICS background check in four instances and 27 CFR 478.124(a) Failure to execute an ATF Form 4473 instances. These firearms were disposed to "Self" with the licensee's FFL number and address; however the licensee stated she had no knowledge of where those firearms were. She also stated that she did not have any interest in trying to locate the firearms, as it has been to long. This license is owned by an LLC that includes both husband and wife, who are RPs on both this license and their other store in Nocomo, Texas, which are also recommended for revocation. The licensees continue to transport firearms between the two licenses without

Revocation for this license is recommended.

Area Supervisor: (b)(6) Recommendation  
Revocation

Details

I concur with IOI (b)(6) recommendation of Revocation.

Industry Operations Investigator: (b)(6) Recommendation  
Revocation

Details

Revocation

**Inspection Findings**

**Records and Forms**

8. Failure to execute a Form 4473 (Exception: Select findings 6 and 7 above for transfers to law enforcement officers for personal use and FFL responsible persons; if the transferee is NOT prohibited).

11. Failure to account for acquired firearms which records indicate were in inventory within the previous [redacted] years after reconciliation for which disposition could not be accounted for in required GCA records (e.g. acquisition and disposition record, F 4473) and is a repeat violation of increased frequency.

**Firearms**

1. Missing firearms after inventory reconciliation (e.g., no records of disposition, required or otherwise).

**NICS**

4. Failure to conduct a NICS check or obtain an alternate permit.

**FFL History**

3. The current inspection reveals repeated similar violation(s) for which the FFL has previously been the subject of a Warning Conference ILO Revocation within the previous 5 years and there has been NO significant improvement.

**ELIGIBILITY VERIFICATION**

**Business Information Verification**

Licensee Name	Business Type	Is the business valid?
A F LUKE ENTERPRISES INC	Corporation	Yes

**Additional Findings**

Active with TX SOS and Comptroller. Melvin Luke is president and director and Melvin and Terry Luke are officers and RPs on license.

**Attachment(s):**

- Taxable Entity Search Results2.pdf
- Taxable Entity Search Results.pdf
- BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY.pdf

**Property Ownership Verification**

Premises Ownership Type	Premises Location Type	Has the property ownership been verified?
Owned	Store Front	Yes

**Address**

117 N MAIN ST  
Unit N/A  
MUNSTER, Texas 76252  
COOKE United States

**Additional Findings**

Melvin Luke owns the property.

**Attachment(s):**

- property.pdf

**Trade Name/DBA Verification**

Trade Name/DBA	Is the trade name/DBA registered?
ACE HARDWARE	Yes



Phone Type	Phone Number	Remarks
Mobile	(b)(6)	

**Criminal History Check**

Date Criminal History Check Conducted  
08/05/2019

Criminal History Check Comments  
BG cleared per FLS on 08/06/2019.  
IC (b)(6) in a JWLN query on 8/16/21 with no hits.

Number Type	Agency Label	State
(b)(6)		

**MELVIN RICHARD LUKE**

Name	Gender	Race	Ethnicity
MELVIN RICHARD LUKE	Male	White	Not Hispanic or Not Latino
Date of Birth	SSN	Job Title	
(b)(6)	(b)(6)	RP	

**Physical Identifiers**

Height	Weight	Hair Color	Eye Color

**Place of Birth**

Country	State	City
United States Of America	(b)(6)	unknown

**Home Address**

(b)(6)

**Additional Names**

**Citizenship**

United States

ID Type	Country	State	ID Number
Driver's License	United States	Texas	(b)(6)

Phone Type	Phone Number	Remarks
Mobile	(b)(6)	

Email Address	Email Remarks
(b)(6)	

**Criminal History Check**

Date Criminal History Check Conducted  
08/05/2019

Criminal History Check Comments  
BG cleared per FLS on 08/06/2019.  
IC (b)(6) in a JWLN query on 8/16/21 with no hits.

Number Type	Agency Label	State
(b)(6)		

**INTERVIEW QUESTIONNAIRE**

What is the proposed business activity?  
This store mainly handles transfers. They do not display any firearms for sale.

Do they need an additional license or permit?  
No

Who are their primary suppliers?  
**(b)(4)**

**Business Activities**

Retail

Selected Operational Security Measures

Controlled Access to ATF Recordkeeping

Controlled Access to Keys

**PREMISES INFORMATION**

Inspection Area Description

This is a typical store front hardware store. Customers go to the front counter to do paperwork on the computer. Firearms are kept in two locked safes. There were no firearms out for sale. ATF records are kept in the office at the back of the store.

Primary Activity

Retail

Selected Physical Security Measures

**(b)(4)**

GPS Coordinates

Latitude  
33.64903

Longitude  
-097.37653

**INTERVIEW NOTES**

The licensee holds another FFL, Ace Hardwar in Nocona, Texas. 5-75-40839.

**ONSITE SUMMARY**

Total Number of ATF Form 4473s for Inspection Review Period

Total Number of ATF F 4473 Reviewed

Total Number of Open Dispositions in A & D Record

Total Number of Firearms in Inventory  
50

Actual Number of Firearms Verified

Number of Firearms Missing Before Reconciliation

Total Number of Firearms Missing After Reconciliation  
0

Total Number of Acquisitions in the Last 12 Months  
**(b)(4)**

Total Number of Dispositions in the Last 12 Months  
**(b)(4)**

Onsite Start Date

Onsite End Date

Number of Reported Lost/Stolen Firearms During Inspection Period

Total Number of Traces During Inspection Review Period

Total Number of Those Traces That Were Unresolved

Inspection Period Start Date

Inspection Period End Date

Number Of Traces Resolved By IOI

[Click Here to See List of Perfected Traces](#)

Additional Comments

The inspection was conducted on August 18 and 25, 2021. This inspection was assigned due to the violations found at the licensee's other location (5-75-40839) in Nocona, Texas and the fact that both licenses utilize the same EPICOR A&D system.

The licensee's Nocona location was found to have violations with the A&D record and they were not in compliance with their electronic ATF F 4473. The same violations were found at this location. Additional violations were discovered when comparing the Nocona A&D record to the Muenster A&D record as the licensee is not properly transferring firearms between the two licenses.

The licensee utilizes EPICOR, an electronic A&D record and utilizes EPICOR for electronic ATF Forms 4473. The licensee is not in compliance with ATF Ruling 2016-2 as the licensee is doing the entire form electronically (to include NICS check), printing it and then the customer signs after everything is completed.

IOI **(b)(6)** compared all ATF Forms 4473 for the past year to the A&D book with no discrepancies. Investigator **(b)(6)** compared the entire Muenster A&D record to Nocona's A&D record and several discrepancies were discovered. According to the Muenster A&D record, **(b)(3) (112 Public Law 55 125 Stat 552)**

**(b)(3) (112 Public Law 55 125 Stat 552)** IOI **(b)(6)** asked Terry Luke to call Melvin Luke to see when the **(b)(3) (112 Public Law 55 125 Stat 552)** as transferred back to Muenster from Nocona.

Melvin Luke stated the firearm was not in his A&D record. IOI **(b)(6)** also reviewed the Nocona A&D record, and there was no acquisition record or disposition record for **(b)(3) (112 Public Law 55 125 Stat 552)**. The Muenster A&D record showed **(b)(3) (112 Public Law 55 125 Stat 552)**.

**(b)(3) (112 Public Law 55 125 Stat 552)**

**(b)(3) (112 Public Law 55 125 Stat 552)**

IOI **(b)(6)** offered

to make a copy of the information for the four firearms in question and Terri Luke stated she did not need a copy because it was too long ago and she had no idea where the firearms were. There were other transfers between the Muenster and Nocona location that date back to when each store utilized a manual A&D book. IOI (b)(6) reviewed the manual A&D books for both locations to ensure all information was reviewed.

Terri Luke stated she did an inventory six months ago, but there was a firearm logged out on 12/20/2020 that was in inventory that she did not catch. Terri Luke would not explain how she conducts her inventory.

There were no theft/losses.

The licensee was associated with [redacted] face. No further action is required.

There was one denial. The firearms listed on the denied ATF Form 4473 were sent back Grab-A-Gun, so there was no straw purchase.

The licensee does not sell used firearms.

There were no discrepancies with the two NTN's on the FFL Audit log.

The period of inspection was August 19, 2020 through August 19, 2021, for the ATF Forms 4473. The A&D record was reviewed in its entirety.

The licensee transferred [redacted] firearms to [redacted] (b)(3) (112 Public Law 55 125 Stat 552)

IOI (b)(6) found one repeat purchaser. [redacted] (b)(3) (112 Public Law 55 125 Stat 552), (b)(6)

**(b)(3) (112 Public Law 55 125 Stat 552), (b)(6)**

The licensee holds 5-75-40839 in Nocona, Texas as well.

The licensee was inspected in 2018 with no violations found and had an application inspection in 2013.

During the closing conference, Investigator (b)(6) asked if the licensee had looked into whether or not their electronic ATF Form 4473 could be converted to accept signatures like their Nocona store. Terri Luke stated she had not looked into it. IOI (b)(6) advised Terri Luke that Melvin Luke stated he was going to look at the system on the night of 8/19/2021, and asked Terri Luke if he had. Terri Luke stated they have been too busy for either of them to look at the system. IOI (b)(6) again advised Terri Luke she could not use the electronic ATF Forms 4473 as the system currently was, and Terri Luke stated she understood. Terri Luke stated she had not sold any firearms since IOI (b)(6) left on 8/19/2021.

Attachment(s)

Report of Violations.pdf

Report of Violations.pdf

Licensee Response to Violations Report.pdf

Licensee Response to Violations Report.pdf

**REPORT OF VIOLATIONS**

Regulation	Corrective Actions	Instance Details
27 CFR 478.124(a): Failure to execute an ATF F 4473 1 ATF Forms 4473 [redacted] Number of Instances: [redacted]	Ensure all firearms transferred to an RP have an ATF Form 4473 and background check. Execute and retain a complete and accurate ATF Form 4473 on all future firearm transactions.	[redacted] (b)(3) (112 Public Law 55 125 Stat 552), (b)(6)
27 CFR 478.102(a): Failure to complete a NICS/POC background check 2 ATF Forms 4473: 2 Number of Instances: 4	Ensure all firearms transferred to an RP have an ATF Form 4473 and background check. Retrieve and accurately record (on an ATF Form 4473) a required final NICS/POC background check response prior to all future over-the-counter firearm transactions.	NICS Violation NICS Violation NICS Violation NICS Violation (b)(6)
27 CFR 478.129(b): Failure to retain ATF F 4473 3 ATF Forms 4473 [redacted] Number of Instances: [redacted]	Identify and separately retain all denied (completed and future) ATF Forms 4473, for a period not less than 5 years.	[redacted] (b)(3) (112 Public Law 55 125 Stat 552), (b)(6)
27 CFR 478.125a: Failure to properly sell/dispose of personal collection firearm(s) 4 Number of Instances [redacted]	Ensure all firearms transferred to an RP are transferred to a specific person and not to the corporation. Accurately, completely & timely record all required future firearm acquisition information.	[redacted] (b)(3) (112 Public Law 55 125 Stat 552), (b)(6)
27 CFR 478.125(e): Failure to maintain an accurate/complete/timely acquisition and disposition record of firearms 5 Number of Instances [redacted]	Accurately, completely & timely record all required future firearm acquisition information. Amend/Update A&D Record to accurately record all required firearm acquisition information.	[redacted] (b)(3) (112 Public Law 55 125 Stat 552), (b)(6)
27 CFR 478.124(c)(3)(i): Failure to verify or record Identification document on ATF F 4473 ATF Forms 4473 [redacted] Number of Instances: [redacted]	Discontinue use of the electronic ATF Form 4473 until it can be in compliance with having the purchaser sign the form before proceeding to the next section.	[redacted] (b)(3) (112 Public Law 55 125 Stat 552), (b)(6)

6

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

7

27 CFR 478.124(c)(3)(iv):  
Failure to record NICS contact  
information on an ATF F 4473

ATF Forms 4473   
Number of Instances:

Discontinue use of the electronic ATF Form  
4473 until it can be in compliance with having  
the purchaser sign the form before proceeding to  
the next section.

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

8

27 CFR 478.124(c)(5): Failure by  
transferor to sign and/or date an  
ATF F 4473

ATF Forms 4473   
Number of Instances:

Ensure that the required transferor/seller  
signature and date of transfer is obtained,  
validated and accurately recorded on all future  
ATF Forms 4473, Section D.

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

9

27 CFR 478.21(a): Failure to  
complete forms as prescribed

ATF Forms 4473   
Number of Instances:

Correct/Update photocopies of all specified ATF  
Form 4473 discrepancies, in accordance with  
form headings and instructions.

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

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

		(b)(3) (112 Public Law 55 125 Stat 552)
10	27 CFR 478.103(a): Failure to provide Youth handgun notice to handgun purchasers Number of Instances: 1	Obtain, conspicuously post and provide Youth Handgun Safety Act notices for purchasers of handguns. Licensee did not have a Youth Handgun Safety Poster nor any pamphlets for the life of their license.
11	27 CFR 478.103(d): Failure to visibly display Youth handgun notice for handgun purchasers Number of Instances: 1	Obtain, conspicuously post and provide Youth Handgun Safety Act notices for purchasers of handguns. Licensee did not have a Youth Handgun Safety Poster nor any pamphlets for the life of their license.
12	27 CFR 478.91: Failure to post license Number of Instances: 1	Post your license as prescribed by regulation. Licensee failed to post license.

LICENSEE RESPONSE REPORT

	Regulation	Corrective Actions	Licensee Response	Status Details
1	27 CFR 478.124(a): Failure to execute an ATF F 4473 ATF Forms 4473: [ ] Number of Instances: [ ]	Ensure all firearms transferred to an RP have an ATF Form 4473 and background check. Execute and retain a complete and accurate ATF Form 4473 on all future firearm transactions.	Terri Luke stated she does not remember that far back and did not wish to do any further research because she did not know what happened to the firearms.	Status Licensee Notified Verified Method In Person Date Licensee Notified 08/25/2021
2	27 CFR 478.102(a): Failure to complete a NICS/POC background check ATF Forms 4473: 2 Number of Instances: 4	Ensure all firearms transferred to an RP have an ATF Form 4473 and background check. Retrieve and accurately record (on an ATF Form 4473) a required final NICS/POC background check response prior to all future over-the-counter firearm transactions.	Terri Luke stated she does not remember that far back and did not wish to do any further research because she did not know what happened to the firearms.	Status Licensee Notified Verified Method In Person Date Licensee Notified 08/25/2021
3	27 CFR 478.129(b): Failure to retain ATF F 4473 ATF Forms 4473: [ ] Number of Instances: [ ]	Identify and separately retain all denied (completed and future) ATF Forms 4473, for a period not less than 5 years.	Terri Luke stated she did not know she had to file the form separately.	Status Licensee Notified Verified Method In Person Date Licensee Notified 08/25/2021
	27 CFR 478.125a: Failure to properly sell/dispose of personal collection firearm(s) Number of Instances: [ ]	Ensure all firearms transferred to an RP are transferred to a specific person and not to the corporation. Accurately, completely & timely record all required future firearm acquisition information.	Terri Luke stated she does not remember that far back and did not wish to do any further research because she did not know what happened to the firearms.	Status Licensee Notified Verified Method In Person

4				Date Licensee Notified 08/25/2021
5	27 CFR 478.125(e): Failure to maintain an accurate/complete/timely acquisition and disposition record of firearms  Number of Instances: <input type="text"/>	Accurately, completely & timely record all required future firearm acquisition information. Amend/Update A&D Record to accurately record all required firearm acquisition information.	Terri Luke stated she "just missed it" for the Ruger and no explanation why the Palmetto State was logged into both A&D records with different information.	Status Licensee Notified  Verified Method In Person  Date Licensee Notified 08/25/2021
6	27 CFR 478.124(c)(3)(i): Failure to verify or record Identification document on ATF F 4473  ATF Forms 4473 <input type="text"/> Number of Instances: <input type="text"/>	Discontinue use of the electronic ATF Form 4473 until it can be in compliance with having the purchaser sign the form before proceeding to the next section.	Terri Luke stated Melvin Luke never told her their electronic ATF Forms 4473 were not compliant when Nocona had inspections in 2018 and 2019, even though they use the same EPICOR system.	Status Licensee Notified  Verified Method In Person  Date Licensee Notified 08/25/2021
7	27 CFR 478.124(c)(3)(iv): Failure to record NICS contact information on an ATF F 4473  ATF Forms 4473 <input type="text"/> Number of Instances: <input type="text"/>	Discontinue use of the electronic ATF Form 4473 until it can be in compliance with having the purchaser sign the form before proceeding to the next section.	Terri Luke stated Melvin Luke never told her their electronic ATF Forms 4473 were not compliant when Nocona had inspections in 2018 and 2019, even though they use the same EPICOR system.	Status Licensee Notified  Verified Method In Person  Date Licensee Notified 08/25/2021
8	27 CFR 478.124(c)(5): Failure by transferor to sign and/or date an ATF F 4473  ATF Forms 4473 <input type="text"/> Number of Instances: <input type="text"/>	Ensure that the required transferor/seller signature and date of transfer is obtained, validated and accurately recorded on all future ATF Forms 4473, Section D.	Terri Luke stated she did not know she needed to sign the form	Status Licensee Notified  Verified Method In Person  Date Licensee Notified 08/25/2021
9	27 CFR 478.21(a): Failure to complete forms as prescribed  ATF Forms 4473 <input type="text"/> Number of Instances: <input type="text"/>	Correct/Update photocopies of all specified ATF Form 4473 discrepancies, in accordance with form headings and instructions.	Terri Luke stated she did not know she could not correct an original ATF Form 4472.	Status Licensee Notified  Verified Method In Person  Date Licensee Notified 08/25/2021
10	27 CFR 478.103(a): Failure to provide Youth handgun notice to handgun purchasers  Number of Instances: 1	Obtain, conspicuously post and provide Youth Handgun Safety Act notices for purchasers of handguns.	Terri Luke stated she has never had the pamphlets and did not know anything about them.	Status Licensee Notified  Verified Method In Person  Date Licensee Notified 08/25/2021
	27 CFR 478.103(d): Failure to visibly		Terri Luke stated she has never had a	Status

11	display Youth handgun notice for handgun purchasers  Number of Instances: 1	Obtain, conspicuously post and provide Youth Handgun Safety Act notices for purchasers of handguns.	poster and did not know anything about it.	Licensee Notified Verified Method In Person  Date Licensee Notified 08/25/2021
12	27 CFR 478.91: Failure to post license  Number of Instances: 1	Post your license as prescribed by regulation.	Terri Luke stated she has never posted her license.	Status Licensee Notified Verified Method In Person  Date Licensee Notified 08/25/2021

**CLOSING CONFERENCE**

( 8/25/2021 )  
08/25/2021  
Attachment(s)

**Attendee(s)**

TERRI KAY LUKE

**EXHIBITS**

**Inspection**

Category	Attachment Name
Correspondence	Spartan Notification RE: 5-75-08821 Inspection Results
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
Correspondence	Spartan Notification RE: 5-75-08821 Monitored Case
UpdateLicensingCenter	Exhibit 8C - October 2021 - AF Luke Muenster.docx
Correspondence	
Correspondence	DIO Krissy Carlson Returned Inspection FCI-29914
WarningConferenceLetterReturnSlip	AF Luke Enterprises, Inc. -Muenster (WCSLDeliveryConfirmation).pdf
WarningConferenceSchedulingLetter	Scheduling Letter.pdf
OnSiteSummaryInformation	Muenster4473satNocona.pdf
OnSiteSummaryInformation	Sample4473Violations.pdf
OnSiteSummaryInformation	RugerloggedoutbutinInventory.pdf
OnSiteSummaryInformation	AandDbookIssuesBetweenStores.pdf
Correspondence	Information Concerning Your Federal License/Permit
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
Correspondence	
Correspondence	Information Concerning Your Federal License/Permit
ViolationsPDF	Report of Violations.pdf
ClosingConferenceSummary	Acknowledgment of Regulations.pdf
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
Correspondence	Information Concerning Your Federal License/Permit
Correspondence	
ViolationsPDF	Report of Violations.pdf

PropertyOwnershipVerification

property.pdf

TradeNameVerification

dba.pdf

BusinessVerification

Taxable Entity Search Results2.pdf

BusinessVerification

Taxable Entity Search Results.pdf

BusinessVerification

BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY.pdf

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

In the matter of License Number 5-75-097-01-2J-08821 , as a/an  
Dealer in Firearms Other Than Destructive Devices issued to:  
Name and Address of Licensee (Show number, street, city, State and ZIP Code)  
AF Luke Enterprises, Inc, dba Ace Hardware  
117 North Main Street, Muenster, Texas 76252, Cooke County

**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. 923(e), 922(t)(5) or 924(p).
- The above identified license may be suspended pursuant to 18 U.S.C. 922(t)(5) or 924(p).
- The above identified licensee may be fined pursuant to 18 U.S.C. 922(t)(5) or 924(p).

Pursuant to U.S.C. 923(f)(2) and/or 922(t)(5), you may file a request with the Director of Industry Operations, Bureau of Alcohol, Tobacco, Firearms and Explosives, at 2501 Business 121 S, Suite 300A, Lewisville, Texas 75067, 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
12/20/2021	Krissy Y Carlson, Director, Industry Operations, Dallas Field Division	Krissy Y. Carlson <small>Digitally signed by Krissy Y Carlson Date: 2021.12.20 10:21:45 -0600</small>

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: 7012 3460 0001 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
<u>12/27/21</u>	<u>Investigative Analyst</u>	<b>(b)(6)</b>
<b>(b)(6)</b>	<u>Investigative Analyst</u>	
<u>117 North Main Street, Muenster, Tx 76252</u>		

Under the provisions of 18 U.S.C. § 923(e) and 27 C.F.R. § 478.73, notice is hereby given that the Bureau of Alcohol, Tobacco, Firearms and Explosives ("ATF") intends to revoke the Federal firearms license held by A F Luke Enterprises, Inc. ("Licensee"), a Dealer in Firearms Other Than Destructive Devices. Specifically, the Director, Industry Operations, United States Department of Justice, ATF, Dallas Field Division, has reason to believe that Licensee 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 (collectively, "GCA") as described herein.

### **Compliance History**

ATF first issued a Federal firearms license to Licensee in 2013. The laws and regulations issued under the GCA were reviewed as part of the application inspection. Subsequently, ATF conducted a compliance inspection of Licensee in 2018. The laws and regulations issued under the GCA were again reviewed as part of the compliance inspection.

### **Current Inspection**

On August 18, 2021, ATF began a compliance inspection of Licensee's premises that revealed the following:

#### Acquisition and Disposition Record Violations:

1. On  occasions, Licensee willfully failed to timely and/or accurately record the acquisition of firearms, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.125(e). See Appendix, ¶ 1
2. On  occasions Licensee willfully failed to timely and/or accurately record the disposition of firearms in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.125(e). See Appendix, ¶ 2

#### Background Check Violations:

3. On 4 occasions, Licensee willfully transferred a firearm to an unlicensed person without first contacting the National Instant Criminal Background Check System ("NICS") and obtaining a unique identification number before allowing the transfer, in violation of 18 U.S.C. § 922(t) and 27 C.F.R. § 478.102. See Appendix, ¶ 3.

#### Failure to Retain Records:

4. On  occasion, Licensee willfully failed to separately retain a Firearms Transaction Record, ATF Form 4473 where a sale, delivery or transfer did not take place in alphabetical (by name of transferee) or chronological (by date of transferee's certification order, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.129(b). See Appendix, ¶ 4.

ATF Form 4473 Violations:

5. On  occasions, 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, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(a). See Appendix ¶ 5.
6. On  occasions, Licensee willfully transferred a firearm to a non-licensee without verifying the identity of the transferee by examining the identification document presented and noting the type on a Firearms Transaction Record, ATF Form 4473, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(i). See Appendix ¶ 6.
7. On  occasions, Licensee willfully transferred a firearm to a non-licensee without recording the date the Licensee contacted the National Instant Criminal Background Check System (“NICS”), any response provided by the system and/or any identification number provided by the system information on the Firearms Transaction Record, ATF Form 4473, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(iv). See Appendix ¶ 7.
8. On  occasions, Licensee willfully failed to obtain/execute the Firearms Transaction Record, ATF Form 4473 as indicated by the headings on the Form and the instructions on or pertaining to the Form, in violation of 18 U.S.C. § 922(m) and 27 C.F.R. § 478.21(a). See Appendix, ¶ 8.

Appendix

**Paragraph 1**

**18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.125(e): Failure to Maintain an Accurate Acquisition Record of Firearms**

Firearm Description	Serial Number	Discrepancy
---------------------	---------------	-------------

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

**Paragraph 2**

**18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.125(e): Failure to Maintain an Accurate Disposition Record of Firearms**

Firearm Description	Serial Number	Discrepancy
---------------------	---------------	-------------

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

**Paragraph 3**

**18 U.S.C. § 922(t) and 27 C.F.R. § 478.102: Failure to complete a NICS/POC background check**

Firearm Description	Date of Transaction	Discrepancy
(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)	2/6/2017	Failure to conduct a NICS background check - logged out to (b)(6)
	2/6/2017	Failure to conduct a NICS background check- logged out to (b)(6)
	2/6/2017	Failure to conduct a NICS background check- logged out to (b)(6)
	8/1/2018	Failure to conduct a NICS background check- logged out to (b)(6)

**Paragraph 4**

**18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.129(b): Failure to separately retain ATF Form 4473 where delivery or transfer did not take place**

Transferee's Name	Date	Discrepancy
<b>(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)</b>		

**Paragraph 5**

**18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(a): Failure to execute ATF Form 4473**

Firearm Description	Date of Transaction	Discrepancy
<b>(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)</b>		

**Paragraph 6**

**18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(i): Failure to verify the identity of the transferee by examining and recording the identification document after the transferee has executed the Form 4473**

Transferee's Name	Date	Discrepancy
<b>(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)</b>		

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

**Paragraph 7**

**18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(iv): Failure to conduct and record all required NICS information after the transferee has executed the form 4473**

Transferee's Name

Date

Discrepancy

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

**Paragraph 8**

**18 U.S.C. § 922(m) and 27 C.F.R. § 478.21(a): Failure to obtain/execute the Firearms Transaction Record, ATF Form 4473 as indicated by the headings on the Form and the instructions on or pertaining to the Form**

Transferee's Name

Date

Discrepancy

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

**(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)**

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

In the matter of:

- The application for license as a/an \_\_\_\_\_, filed by:  
or
- License Number 5-75-097-01-2J-08821 as a/an  
Dealer in Firearms Other Than Destructive Devices, issued to:

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

A F Luke Enterprises, Inc. d.b.a. Ace Hardware  
117 North Main Street, Muenster, Texas 76252, Cooke County

### Notice is Hereby Given That:

- A request for hearing pursuant to 18 U.S.C. § 923(f)(2) and/or 922(t)(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(t)(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(t)(5) or 924(p).
- licensee is fined \$ \_\_\_\_\_, payment due: \_\_\_\_\_, pursuant to 18 U.S.C. § 922(t)(5) or 924(p).
- After due consideration following a hearing held pursuant to 18 U.S.C. § 923(f)(2) and/or 922(t)(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(t)(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(t)(5) or 924(p).
- licensee is fined \$ \_\_\_\_\_, payment due: \_\_\_\_\_, pursuant to 18 U.S.C. § 922(t)(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 N/A, 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	Name and Title of Bureau of Alcohol, Tobacco, Firearms and Explosives Official	Signature
01/24/2022	Kristen N. Moore, Acting Director of Industry Operations	(b)(6) <small>Digitally signed by Kristen Moore Date: 2022.01.24 13:44:51 -06'00'</small>

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 3460 0001 Or 2552 6570
- Delivering a copy of the notice to the address shown below.

Date Notice Served	Title of Person Serving Notice	Signature of Person Serving Notice
1/24/22	Investigative Analyst	(b)(6)
Print Name and Title of Person Served		

Address Where Notice Served  
117 North Main Street Muenster, Tx 76252

Note: Previous Edition is Obsolete

Page 2 – ATF Form 5300.13, Final Notice of Denial of Application, Revocation,  
Suspension and/or Fine of Firearms License

AF Luke Enterprises, Inc. dba Ace Hardware, 117 North Main Street, Muenster, Texas 76252 (Licensee), holds Federal firearms license 5-75-097-01-2J-08821 as a dealer in 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 December 20, 2021, ATF issued a Notice to Revoke or Suspend License and/or Impose a Civil Fine, ATF Form 4500 (5300.4) (Notice to Revoke) advising the Licensee that ATF intended to revoke its License. The Notice to Revoke was served upon the Licensee via certified mail, return receipt requested, on January 3, 2022. The Notice to Revoke alleged that the Licensee willfully violated the provisions of the GCA and the regulations issued thereunder. The Notice to Revoke further specified that if the Licensee wished to challenge the revocation, it [he/she] may file a request with ATF for a hearing “within 15 days after receipt of this notice.” See 18 U.S.C. § 923(f)(2); 27 C.F.R. § 478.73(b).

Although the Notice to Revoke was served upon the Licensee on January 3, 2022, no request for hearing was filed with ATF within 15 days of the date on which the Notice was served.

For the reasons set forth in the Notice to Revoke or Suspend License and/or Impose a Civil Fine issued on December 20, 2021, the Federal firearms license held by AF Luke Enterprises, Inc. dba Ace Hardware is hereby REVOKED.

Dated this 24th day of January, 2022.

**(b)(6)** Digitally signed by Kristen Moore  
Date: 2022.01.24 13:10:59 -0600

Kristen Moore  
Acting Director, Industry Operations  
Dallas Field Division  
Bureau of Alcohol, Tobacco, Firearms and Explosives  
United State Department of Justice