

JORGE LUIS ALVAREZ Jr.'s FCI
 FCI-28862
 01/12/2023 10:45 AM
 IOI (b)(6) (IO) Field Office

LICENSEE INFORMATION

Applicant Name
 JORGE LUIS ALVAREZ Jr.
 (Sole Proprietor)

RDS Key
 5-74-08719

License/Permit Number
 5-74-427-01-2I-08719

License Type
 01 - Dealer License

Business Type
 Sole Proprietorship

Premises Ownership Type
 Owned

Premises Address
 711 RANCHO SANTA TERESA RD,
 Unit N/A, SANTA ELENA, Texas 785

Premises Location Type Required

OtherRequired

Address
 711 RANCHO SANTA TERESA RD
 Unit N/A
 SANTA ELENA, Texas 78591
 STARR
 United States

Address
 711 RANCHO SANTA TERESA RD
 Unit N/A
 SANTA ELENA, Texas 78591
 STARR
 United States

Phone Type	Phone Number	Remarks
Business	+1 956-481-3999	
Fax	+1 956-481-4030	
Mobile	(b)(6)	

RECOMMENDATIONS

Final Decision Date
 Revocation 02/08/2022

Details

A/DAD Hummel has approved request to remove inspection from MCP as of 2/8/2022. Monitored status is suspended. No further updates are required. Inspection may be closed when appropriate.

Out of Business Records and Inventory Management

Licensee Records

Licensee Inventory

✔ Submitted to an ATF Employee

ATF Employee Name
(b)(6)

Deputy Assistant Director - Industry Operations Megan Bennett's Recommendation
 Revocation

Details

I concur with the recommendation of revocation as the FFL transferred firearms with no NICS checks.

Special Agent in Charge Frederick Milanowski's Recommendation

Concur with the recommendaiton for a revocation

Details

Concur

Director of Industry Operations Tanarra James's Recommendation
Revocation

Details

During this inspection, there was one violation cited. This violation warrants revocation for failure to conduct a NICS or obtain an acceptable alternate to NICS. The FFL did not conduct a NICS check in three instances, involving two people. He thought the purchasers had a LTC. A background check was conducted for each customer with negative results. The FFL is very low volume. There were no missing guns, no unrecorded, untimely or incorrectly recorded acquisitions or dispositions, no traces during the inspection period and no transfers to prohibited persons. By policy, a recommendation of revocation is proposed for failure to conduct a NICS or obtain an acceptable alternate to NICS.

Area Supervisor (b)(6) Recommendation
Revocation

Details

Concur with recommendation- Revocation - Compliance inspection was conducted on Jorge Luis Alvarez Jr. dba La Mula Armory located at 711 Rancho Santa Teresa Road in Santa Elena, TX. The licensee was cited for 27 CFR 478.102(a): Failure to complete a NICS/POC background check on individuals (b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

Industry Operations Investigator (b)(6) Recommendation
Revocation

Details

On August 5, 2021 a compliance inspection was conducted on Jorge Luis Alvarez Jr. dba La Mula Armory located at 711 Rancho Santa Teresa Road in Santa Elena, TX. The licensee was cited for 27 CFR 478.102(a): Failure to complete a NICS/POC background check on 2 individuals (b)(6) 2 instances and (b)(6). NCIC was conducted on individuals revealing no disabling information. The inspection period was from August 5, 2020 to August 4, 2021.

Recommendation: Revocation

Onsite start and end date: August 5, 2021

IOI: (b)(6)

Inspection Findings

NICS

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

ELIGIBILITY VERIFICATION

Business Information Verification

Property Ownership Verification

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

Address
711 RANCHO SANTA TERESA RD
Unit N/A
SANTA ELENA, Texas 78591
STARR
United States

Additional Findings
A query of Starr County Appraisal district revealed the property is owned by the Jorge Luis Alvarez.

Attachment(s):
Appraisal district.pdf

Trade Name/DBA Verification

Trade Name/DBA	Is the trade name/DBA registered?
LA MULA ARMORY	Yes

Additional Findings
The licensee has an assume name certificate which expires August 2, 2026.

Attachment(s):
Assumed Name Certificate.pdf

Zoning Information Verification

Is the proposed business activity in compliance with zoning?
Yes

Additional Findings
Contact was made with (b)(6) Planner with Starr County, who stated there were no restrictions for firearms sales in the county.

Contact Information

Name
(b)(6)

Date Contacted
09/01/2021

Organization
Starr County

Job Title
Planner

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

Contact Remarks
(b)(6) stated there were no restrictions for firearms sales in the county.

Attachment(s):
Appraisal district.pdf

APPOINTMENT DETAILS

Interview Date
07/08/2021

Address
711 RANCHO SANTA TERESA RD, Unit N/A, SANTA ELENA, Texas 78591

Responsible Attendee(s)

Non-Responsible Person(s)

JORGE LUIS ALVAREZ Jr.

No Items

RESPONSIBLE PERSON(S)

JORGE LUIS ALVAREZ Jr.

Name	Gender	Race	Ethnicity
JORGE LUIS ALVAREZ Jr.	Male	White	Hispanic or Latino
Date of Birth	SSN	Job Title	
(b)(6)		OWNER	

Physical Identifiers

Height	Weight	Hair Color	Eye Color
		(b)(6)	

Place of Birth

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

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)	

Criminal History Check

Date Criminal History Check Conducted
06/22/2021

Criminal History Check Comments
NCIC negative.

Number Type

Agency Label

State

(b)(6)

INTERVIEW QUESTIONNAIRE

What is the proposed business activity?

The licensee transfers new and used firearms to family and friends. There is no other business being conducted from the premises. There is no off-site storage locations. There are no sales at gun shows or the internet. The licensee does not have a website.

Do they need an additional license or permit?

No

Who are their primary suppliers?

The primary suppliers are (b)(4)

Other State or Local Permits

Type	Number	Expiration
State Sales Tax	(b)(3)(26 USC § 6103)	

Business Activities

Selected Operational Security Measures

Controlled Access to ATF Recordkeeping

Retail

Controlled Access to Keys

SUPPLEMENTAL QUESTIONNAIRE

General Business Operations

If there is a security system, who has access to the security codes?

There are cameras on the property.

Who has keys to the premises?

The licensee has access to the keys.

Who has keys to locked inventory?

The licensee has keys to the locked inventory.

Who is operating the business on a day-to-day basis?

The licensee is the one responsible for the day to day operations.

Is financial backing provided by anyone that is not a responsible person on the license/permit?

No.

Are any employees known to be prohibited?

No employees.

Are any employees associated with a previously denied/revoked/surrendered license/permit?

No.

SECURITY WALKTHROUGH

Inspection Area Description

The licensed premises consist of a small office by the front gate of the Santa Teresa Ranch. Inside the office is a small wood counter set up with computer, wifi, cameras and a gun safe. The premises are located in rural area in Starr County.

Primary Activity

Retail

Selected Physical Security Measures

Deadbolts

Fenced Area

Locked Gates

Safe(s)/Vault(s)

GPS Coordinates

Latitude

26.77155

Longitude

-98.45026

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

0

Total Number of Firearms in Inventory

0

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

Jorge Luis Alvarez Jr. dba La Mula Amory is conducting business as a sole proprietor from a ranch located in rural area in Santa Elena, TX. The licensee sells new and used firearms to family and friends. The business premises is conducted from a small building located at the ranch. The building is equipped with computer, wi-fi, counter and a safe. There is no off-site storage locations. There is no other business being conducted from the business premises. The premises are owned by the licensee. The inspection period was from August 5, 2020 to August 4, 2021. The licensee has had the license since August 2016.

A query of the Texas Comptroller of Public Accounts revealed the licensee has an active Sales and Use Tax # (b)(3)(26 USC § 6103). A query of the Texas Secretary of State and franchise tax revealed there were no findings for the licensee.

A review of the Acquisition and Disposition Record book disclosed that during the inspection period, the licensee acquired and disposed of (b)(6) firearms for the inspection period. There were no firearms in inventory and no open entries revealing no discrepancies. A sample of (b)(6) A&D Record book dispositions were cross-referenced to the ATF Forms 4473 to check for accuracy and no discrepancies were found. There were no thefts or losses reported during the last 12 months. The licensee keeps 1 manual A&D Record book. The A&D Record book was determined to be in correct format and all information was entered timely and accurately. There were no illegal or firearms with obliterated serial numbers.

There were (b)(6) ATF Forms 4473 on file for the last 12 months. All the forms were reviewed and the licensee failed to conduct NICS on 2 individuals (b)(6) (b)(6) NCIC was conducted on August 5, 2021 revealing no disabling information. The licensee was cited for:

27 CFR 478.102a – 3 instances

All (b)(6) ATF Forms 4473 were cross-referenced to the A&D Record to check for accuracy and no discrepancies were found. ATF Forms 4473 are maintained in chronological order. The FFL Audit Log reported no transactions in last 60 days from the date the report was requested. A query of eTrace revealed the licensee had no multiple sales during the last 12 months and there were no unreported multiple sales discovered during the inspection. A query of eTrace revealed no traces during the inspection period.

The licensee does not deal in NFA firearms and is not an importer, collector or manufacturer of firearms. There were no transfer of firearms to other licensee's and no sales to law enforcement officers. There are no variance and none were requested. NCIC was conducted on Mr. Alvarez with negative results. The licensee has had 2 inspections since acquiring the license in 2016 and the recommendations have been no violations.

782110-2018-0154: Onsite start: 01/31/2018: No viols, No referrals, No further action

FCI – 8320: Onsite start: 03/18/2019: No violations

Attachment(s)

Report of Violations.pdf

Licensee Response to Violations Report.pdf

REPORT OF VIOLATIONS

Regulation	Corrective Actions	Instance Details
27 CFR 478.102(a): Failure to complete a NICS/POC background check ATF Forms 4473: 3 Number of Instances: 3	Execute a required NICS/POC background check for all future over-the-counter firearm transactions. 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, (b)(6) 3/29/2021 NICS Violation, (b)(6) 12/30/2020 NICS Violation, (b)(6) 8/14/2020

LICENSEE RESPONSE REPORT

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

In the matter of License Number 5-74-427-01-2J-08719, 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)

Jorge Luis Alvarez, Jr.
d.b.a. La Mula Armory
711 Rancho Santa Teresa Road
Santa Elena, Texas 78591

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 5825 N. Sam Houston Parkway West, Suite 300, Houston, Texas 77086, 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
12/01/2021	Tanarra James, 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: 7019228000084552407 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
	Executive Assistant	(b)(6)
Print Name and Title of Person Served		Signature of Person Served (if applicable)

Address Where Notice Served

711 Rancho Santa Teresa Road, Santa Elena, Texas 78591

Under the provisions of 18 U.S.C. § 923(e) and 27 CFR § 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 Jorge Luis Alvarez Jr., d/b/a La Mula Armory, 711 Rancho Santa Teresa Rd., Santa Elena, Texas, 78591 (“Licensee”), a Dealer in Firearms Other Than Destructive Devices. Specifically, the Director of Industry Operations, United States Department of Justice, ATF, Houston 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 CFR § 478 (collectively, “GCA”) as described herein.

Compliance History

ATF first issued a Federal firearms license to Licensee on August 9, 2016. The laws and regulations issued under the GCA were reviewed as part of the application inspection. Subsequently, on February 1, 2018, and March 18, 2019, ATF conducted compliance inspections of Licensee that found Licensee was in compliance with the GCA. Additionally, as part of both compliance inspections, Licensee signed an acknowledgment of Federal firearms regulations indicating that the Industry Operations Investigator reviewed the laws and regulations issued under the GCA with Licensee.

Current Inspection

On August 5, 2021, ATF began a compliance inspection of Licensee’s premises that revealed that on the 3 occasions listed below, Licensee willfully transferred a firearm to an unlicensed person without first contacting the National Instant Criminal Background Check System (“NICS”) before allowing the transfer, in violation of 18 U.S.C. § 922(t) and 27 CFR § 478.102.

Date	Firearm	Transferred To	ATF Form 4473 Transaction Serial Number
------	---------	----------------	---

(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 5-74-427-01-2J-08719 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)

Jorge Luis Alvarez, Jr.
d/b/a/ La Mula Armory
711 Rancho Santa Teresa Road
Santa Elena, Texas 78591

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 5825 North Sam Houston Parkway West, Suite 300, Houston, Texas 77086

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 01/13/2022	Name and Title of Bureau of Alcohol, Tobacco, Firearms and Explosives Official Tanarra James, Director, Industry Operations	S: (b)(6)
--------------------	--	-----------

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: 7019 0700 0000 0885 8115

Or

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

Date Notice Served	Title of Person Serving Notice Executive Assistant	(b)(6)
--------------------	---	--------

Print Name and Title of Person Served	Signature of Person Served
---------------------------------------	----------------------------

Address Where Notice Served
711 Rancho Santa Teresa Road, Santa Elena, Texas 78591

Note: Previous Edition is Obsolete

Jorge Luis Alvarez, Jr. ("Licensee") d/b/a La Mula Armory holds Federal firearm license 5-74-427-01-2J-08719, 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, as amended, 18 U.S.C. Chapter 44, and the regulations issued thereunder, 27 CFR Part 478 (collectively, "GCA").

On, December 1, 2021, ATF issued a Notice to Revoke or Suspend License and/or Impose a Civil Fine, ATF E-Form 4500(5300.4) ("Notice to Revoke") advising Licensee that ATF intended to revoke his License. The Notice to Revoke was served upon Licensee via certified mail, return receipt requested, on December 4, 2021. The Notice to Revoke alleged that Licensee willfully violated the provisions of the GCA. The Notice to Revoke further specified that if Licensee wished to challenge the revocation, he may file a request with ATF for a hearing within 15 days of receipt of the Notice to Revoke. See 18 U.S.C. § 923(f)(2); 27 CFR § 478.73(b).

Although the Notice to Revoke was served upon Licensee on December 4, 2021, no request for a 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 issued on December 1, 2021, the Federal firearms license held by Jorge Luis Alvarez, Jr. is hereby REVOKED.

Dated this 13th day of January 2022.

(b)(6)

Tanarra James

Director, Industry Operations
Houston Field Division
Bureau of Alcohol, Tobacco, Firearms and Explosives
United States Department of Justice