

KRISTINA KAYE COSPER 's FCI
FCI-29107
09/16/2022 12:04 PM
IO: (b)(6) Little Rock II (IO) Field Office

LICENSEE INFORMATION

Applicant Name
KRISTINA KAYE COSPER
(Sole Proprietor)

RDS Key
5-71-06194

License/Permit Number
5-71-131-01-3J-06194

License Type
01 - Dealer License

Business Type
Sole Proprietorship

Premises Ownership Type
Leased/Rented
Premises Address
1510 WEST CENTER STREET, Unit
N/A, GREENWOOD, Arkansas 72936

Premises Location Type Required
Store Front

Address
1510 WEST CENTER STREET
Unit N/A
GREENWOOD, Arkansas 72936
SEBASTIAN
United States

Address
1510 WEST CENTER STREET
Unit N/A
GREENWOOD, Arkansas 72936
SEBASTIAN
United States

Phone Type	Phone Number	Remarks
Business	+1 479-434-1454	

RECOMMENDATIONS

Final Decision Date
Revocation 04/25/2022

Details

A Notice to Revoke was issued on 3/1/2022. The licensee did not request a hearing in response to the notice. Based on the licensee not requesting a hearing, the license was revoked pursuant to 18 USC 923(e), 922(t)(5) or 924(p) with an effective date of 4/25/2022. All records associated with this licensee were acquired by ATF's Little Rock Area Office on 9/13/2022 and will be shipped to ATF's OOBRC as soon as possible. Recommend License Revoked.

Out of Business Records and Inventory Management

Licensee Records

Licensee Inventory

Deputy Assistant Director - Industry Operations Hans Hummel's Recommendation
Revocation

Details

Concur with Field Division recommendation to proceed with revocation.

Special Agent in Charge Kurt Thielhorn's Recommendation

I concur with DIO Close and DC (b)(6) that under the current administrative policy this meets the threshold for revocation. However this is the licensee's first inspection and as the investigator noted, it was an error based on lack of knowledge and not nefarious activity.

Division Counsel (b)(6) Review

Details

Counsel finds willfulness is present and does not comment on the proposed action other than to say that the willful failure to conduct NICS has been identified by the administration as a zero tolerance violation.

Director, Industry Operations Valentina Close's Recommendation
Revocation

Details

DIO reviewed the inspection report. The inspection findings disclosed one violation that merits REVOCATION based on current AA policy. Specifically, a violation of 27 CFR 102(a) for failure to conduct a NICS background check in two instances. In both instances, the licensee accepted an out-of-state (Texas) concealed carry permit. Further investigation revealed that neither purchaser was/is prohibited.

A Warning Letter was previously issued to the licensee to address the non-compliance issues identified during the current inspection.

Area Supervisor: (b)(6) Recommendation
Revocation

Details

A compliance inspection was conducted on 8/3/2021. The licensee was issued one violation of the GCA during the Closing Conference conducted on 8/3/2021. The compliance inspection is the first inspection of the licensee since issuance of the license on 8/6/2020 following a telephonic application inspection on 7/29/2020. As a result of the compliance inspection, the licensee was issued a Warning Letter on 8/20/2021. However, a further review of the licensee's citation of 27 CFR 478.102(a) for failure to complete a NICS background check in two instances warrant a revocation based on the Administration's Comprehensive Strategy to Prevent and Respond to Gun Crime and Ensure Public Safety. Recommend Revocation.

Industry Operations Investigator: (b)(6) Recommendation
Warning Letter

Details

Investigator (b)(6) conducted a Firearms Compliance inspection of Kristina Cosper d/b/a Lead Valley Gunworks. This assignment was generated due to the licensee receiving a Qualification Inspection via phone due to the COVID-19 pandemic. During the inspection the licensee transferred a firearm in two instances to a transferee that used an out of state conceal carry permit to bypass a NICS check. When asked about the transfer the licensee stated that they did not know they were limited to a valid Arkansas conceal carry permit. The transferee was queried in JWIN with no hits. Investigator (b)(6) is giving a recommendation of Warning Letter.

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?
Leased/Rented	Store Front	Yes

Address
1510 WEST CENTER STREET
Unit N/A
GREENWOOD, Arkansas 72936
SEBASTIAN
United States

Additional Findings
The property is owned by (b)(6) and is being leased by the licensee.

Attachment(s):
Lead Valley Gunworks (Property Ownership).pdf

Trade Name/DBA Verification

Trade Name/DBA	Is the trade name/DBA registered?
LEAD VALLEY GUNWORKS	Yes

Additional Findings
The state of Arkansas does not require sole proprietors to have a registered d/b/a. Sebastian county Arkansas does not require sole proprietors to register their d/b/a as well.

Contact Information

Name	Date Contacted
(b)(6)	12/20/2021

Organization
Sebastian County Clerks Office

Job Title
County Clerk

Phone Type	Phone Number	Remarks
Business	(b)(6)	Monday - Friday (8:00 a.m. till 5:00 p.m.)

Attachment(s):
DBA (Arkansas).pdf

Rental/Lease Verification

Is the proposed business activity permitted by the property owner?
Yes

Additional Findings
The applicant is leasing the premises from (b)(6) is aware of the proposed business activities.

Attachment(s):
Lead Valley Gunworks (Lease Agreement).pdf

Zoning Information Verification

Is the proposed business activity in compliance with zoning?
Yes

Additional Findings
The proposed business at the premises is zoned correctly.

Contact Information

Name: (b)(6) Date Contacted: 07/29/2021

Organization
City of Greenwood Zoning and Planning

Job Title
Director of Zoning and Planning

Phone Type	Phone Number	Remarks
Business	+1 479-996-2742	Monday - Friday (8:00 a.m. till 4:00 p.m.)

Attachment(s):

APPOINTMENT DETAILS

Interview Date
08/03/2021
Address
1510 WEST CENTER STREET, Unit N/A, GREENWOOD, Arkansas 72936

Responsible Attendee(s) Non-Responsible Person(s)

KRISTINA KAYE COSPER No Items

RESPONSIBLE PERSON(S)

KRISTINA KAYE COSPER

Name KRISTINA KAYE COSPER	Gender Female	Race White	Ethnicity Not Hispanic or Not Latino
Date of Birth (b)(6)	SSN (b)(6)	Job Title OWNER	

Physical Identifiers

Height (b)(6)	Weight (b)(6)	Hair Color (b)(6)	Eye Color (b)(6)
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Place of Birth

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

(b)(6)

United States

Additional Names

Citizenship

United States

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

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

Email Address	Email Remarks
(b)(6)	

Criminal History Check

Date Criminal History Check Conducted
07/28/2021

INTERVIEW QUESTIONNAIRE

What is the proposed business activity?
The licensee's primary business activity is gunsmithing and firearms sales and transfers.

Do they need an additional license or permit?
No

Who are their primary suppliers?
None

Business Activities

Internet Sales/Transfers
Retail
Gunsmith

Selected Operational Security Measures

Controlled Access to ATF Recordkeeping
Controlled Access to Keys

Internet Sales/Transfers Website

gunbroker.com

SUPPLEMENTAL QUESTIONNAIRE

General Business Operations

If there is a security system, who has access to the security codes?
Kristi and (b)(6) Cosper

Who has keys to the premises?
Kristi and (b)(6) Cosper

Who has keys to locked inventory?
Kristi and (b)(6) Cosper

Who is operating the business on a day-to-day basis?
Kristi and (b)(6) Cosper

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.

Are any employees associated with a previously denied/revoked/surrendered license/permit?
No.

SECURITY WALKTHROUGH

Inspection Area Description
Single Family Dwelling in Greenwood, AR city limits.

Primary Activity
Retail

GPS Coordinates

Latitude
35.22259

Longitude
-094.28091

Selected Physical Security Measures

Alarm Monitoring (with Cellular Back-Up)
Alarm Monitoring/Other Signage
Bars on Doors
Deadbolts
Floodlights
Local Audible Alarm
Security Cameras
Motion Sensors
Glass Breakage Detection

ONSITE SUMMARY

Total Number of ATF Form 4473s for Inspection Review Period

Total Number of ATF F 4473 Reviewed
(b)(6)

Total Number of Open Dispositions in A & D Record

(b)(4)

Total Number of Firearms in Inventory

25

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

Date(s) of Inspection: August 3, 2021

Additional IOIs: N/A

Closing conference: August 3, 2021

Inspection period: 8/3/2020 thru 8/3/2021

Past inspections: FAI- (Qualification Inspection)

Business percentages: (b)(4) Gunsmithing (b)(4) Retail

Inventory (b)(4) % Used Firearms & (b)(4) % New

Internet Sales: Transfers and Sales

Gun Shows: No

Variances: None

Acquisitions last 12 months: (b)(4)

Dispositions last 12 months: (b)(4)

A&D Records: Hard copy

Missing Firearms: No

ATF Forms 4473: filed chronologically and denied/no transfer Forms are kept separately

Multiple handgun sales: 0

NICS checks verified: 5

Traces during the inspection period: 0

Individual NCIC queries: Non-Qualifying Permit- 1

No prohibiting information was found.

Firearm NCIC queries: Used - 10

No discrepancies were discovered.

NLETS address verifications: 5. No discrepancies were discovered.

Suspicious Activity or Referrals: None

Attachment(s)

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 478.102(d)(1): Failure to obtain a valid alternative permit in lieu of a NICS check ATF Forms 4473: 2 Number of Instances: 2	Ensure that a qualifying NICS alternative permit is properly obtained, validated and verified for all applicable future over-the-counter firearm transactions. Ensure that a qualifying NICS alternative permit is properly obtained and verified for all applicable future over-the-counter firearm transactions. Cease and desist acceptance of non-qualifying alternative permits in lieu of a required NICS background check.	NICS Violation, (b)(6) NICS Violation, (b)(6)

LICENSEE RESPONSE REPORT

Regulation	Corrective Actions	Licensee Response	Status Details
27 CFR 478.102(d)(1): Failure to obtain a valid alternative permit in lieu of a NICS check ATF Forms 4473: 2 Number of Instances: 2	Ensure that a qualifying NICS alternative permit is properly obtained, validated and verified for all applicable future over-the-counter firearm transactions. Ensure that a qualifying NICS alternative permit is properly obtained and verified for all applicable future over-the-counter firearm transactions. Cease and desist acceptance of non-qualifying alternative permits in lieu of a required NICS background check.	The licensee stated they thought all conceal carry permits allow the transferree to bypass a NICS check.	Status Licensee Notified Verified Method In Person Date Licensee Notified 08/03/2021

CLOSING CONFERENCE

Review Regulations conducted offline

(8/3/2021)

08/03/2021

Attachment(s)

Attendee(s)

KRISTINA KAYE COSPER

EXHIBITS

Inspection

Category	Attachment Name
Correspondence	Spartan Notification RE: 5-71-06194 Inspection Results
FinalDecision	NOR (Final) - Kristina Kaye Cosper (signed mailed 3-29-22) amended-1.pdf
Correspondence	Spartan Notification RE: 5-71-06194 National Licensing Center
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
UpdateLicensingCenter	NOR (Final) - Kristina Cosper portfolio (signed mailed 3-29-22) vc.pdf
Correspondence	Spartan Notification RE: 5-71-06194 Special Attention Flag (SAF)
Correspondence	Spartan Notification RE: 5-71-06194 Special Attention Flag (SAF)
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
UpdateLicensingCenter	NOR - Kristina Cosper (issued 3-2-22).pdf
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
UpdateLicensingCenter	8C (Amended Final) Kristi Cosper (signed) 2-15-2022.pdf
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
UpdateLicensingCenter	8C (Final) Kristi Cosper - 1-13-2022 (SAC signed).pdf
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
Correspondence	Spartan Notification RE: 5-71-06194 Inspection Results

UpdateLicensingCenter	Exhibit 8C (Initial) Kristi Cosper - I - 29107.docx
Correspondence	Spartan Notification RE: 5-71-06194 Monitored Case
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
ReturnedSignedROV	Kristina Cosper (Signed ROV).pdf
ViolationsPDF	Report of Violations.pdf
Correspondence	Spartan Notification RE: 5-71-06194 Inspection Results
WarningLetter	Warning Letter.pdf
ReturnedSignedROV	Lead Valley Gunworks (ROV).pdf
Correspondence	
Correspondence	Information Concerning Your Federal License/Permit
ViolationsPDF	Report of Violations.pdf
ViolationCorrection	Lead Valley Gunworks (ROV).pdf
ReturnedSignedROV	Lead Valley Gunworks (ROV).pdf
Correspondence	
Correspondence	Information Concerning Your Federal License/Permit
ViolationsPDF	Report of Violations.pdf
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
Correspondence	
Correspondence	Information Concerning Your Federal License/Permit
Correspondence	Information Concerning Your Federal License/Permit
Correspondence	
ViolationsPDF	Report of Violations.pdf
ViolationsPDF	Report of Violations.pdf
RentalLeaseVerification	Lead Valley Gunworks (Lease Agreement).pdf
TradeNameVerification	DBA (Arkansas).pdf
PropertyOwnershipVerification	Lead Valley Gunworks (Property Ownership).pdf
ApplicationPDF	FLS 57106194.pdf

License

Category	Attachment Name
Correspondence	Spartan Notification RE: 5-71-06194 National Licensing Center
UpdateLicensingCenter	NOR (Final) - Kristina Kaye Cosper (signed mailed 3-29-22).pdf

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

In the matter of License Number 5-71-131-01-3J-06194, as a/an
dealer of firearms issued to:

Name and Address of Licensee (Show number, street, city, State and ZIP Code)
Kristina Kaye Cospser, d/b/a Lead Valley Gunworks
1510 West Center Street
Greenwood, Arkansas 72936

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 1 Galleria Boulevard, Suite 1700, Metairie, LA 70001, 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
03/01/2022	Valentina Close, Director, Industry Operations, New Orleans Field Division	VALENTINA CLOSE <small>Digitally signed by VALENTINA CLOSE Date: 2022.03.01 11:11:55 -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: 7020 1290 0000 6958 5693 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
03/02/2022	Senior Operations Officer	(b)(6)
Print Name and Title of Person Served Kristina Kaye Cospser, d/b/a Lead Valley Gunworks		Signature of Person Served (if applicable)

Address Where Notice Served
1510 West Center Street, Greenwood, Arkansas 72936

Under the provisions of 18 U.S.C. § 923(e) and 27 C.F.R. § 478.73, notice is hereby given that that the Bureau of Alcohol, Tobacco, Firearms and Explosives (“ATF”) intends to revoke the Federal firearms license held by Kristina Kaye Cosper, doing business as Lead Valley Gunworks (“Licensee”). Specifically, the Director, Industry Operations, United States Department of Justice, ATF, New Orleans 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 2020. The laws and regulations issued under the GCA were reviewed as part of the application inspection. Subsequently, ATF conducted a compliance in 2021.

Current Inspection

In 2021, the ATF compliance inspection of Licensee’s premises revealed that on two occasions, Licensee willfully transferred firearms to an unlicensed person without first contacting the National Instant Criminal Background Check System (“NICS”) and obtaining a unique identification number and/or waiting three days before allowing the transfer, in violation of 18 U.S.C. § 922(t) and 27 C.F.R. § 478.102 when transferring firearms to (b)(6) on May 1, 2021 and June 1, 2021.

**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 5-71-131-01-3J-06194 as a/an
as a dealer in firearms, issued to:

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

Kristina Kaye Coper, d/b/a Lead Valley Gunworks
1510 West Center Street
Greenwood, Arkansas 72936

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 April 25, 2022,
- 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 _____

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 03/29/2022	Name and Title of Bureau of Alcohol, Tobacco, Firearms and Explosives Official Valentina Close, Director, Industry Operations, New Orleans Field Division	Signature VALENTINA CLOSE <small>Digitally signed by VALENTINA CLOSE Date: 2022.03.29 11:44:55 -0500</small>
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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. Or Delivering a copy of the notice to the address shown below.

1 7021 2720 0002 8784 7179

Date Notice Served 03/29/2022	Title of Person Serving Notice Senior Operations Officer	Signature of Person Serving Notice (b)(6)
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Print Name and Title of Person Served Kristina Kaye Cosper, d/b/a Lead Valley Gunworks	Signature of Person Served
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Address Where Notice Served
1510 West Center Street, Greenwood, Arkansas 72936

Note: Previous Edition is Obsolete

Kristina Kaye Cosper, d/b/a Lead Valley Gunworks (“Licensee”) holds a Federal firearms license # 5-71-131-01-3J-06194 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, 27C.F.R. Part 478 (collectively GCA).

On March 1, 2022, ATF issued a Notice to Revoke or Suspend and/or Impose Civil Fine, ATF Form 5300.4 (4500), to Licensee. The Notice was mailed with the United States Post Service (USPS) by certified mail, return receipt requested. The USPS delivered the notice on March 10, 2022.

The Notice alleged Licensee willfully violated the provisions of the GCA. The Notice further specified that if Licensee wanted a hearing to review the notice, she should file a request with ATF for such hearing within 15 days after receipt of the notice and in accord with 18 U.S.C. § 923(f)(2) and 27 C.F.R. § 478.73(b).

No request for hearing was timely filed or received.

For the reasons set forth in the Notice of Revocation, the Federal firearms license held by Kristina Kaye Cosper, d/b/a Lead Valley Gunworks is hereby REVOKED.