

SCORPIOS OMEGA TACTICAL LLC's FCI

FCI-26552

07/01/2022 01:04 PM

IOI (b)(6), Phoenix VI (IO) Field Office

**LICENSEE INFORMATION**

Licensee Name <b>SCORPIOS OMEGA TACTICAL LLC</b>	RDS Key <b>9-86-15500</b>	License Permit Number <b>9-86-013-07-3K-15500</b>	License Type <b>07 - Manufacturer of Firearms License</b>
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Business Type  
**Limited Liability Company (LLC)**

**Premises Address**

**Mailing Address**

Premises Ownership Type  
**Leased/Rented**

Premises Location Type  
**Store Front**

Address  
**16548 E LASER DR, SUITE 1  
Unit N/A  
FOUNTAIN HILLS, Arizona 85268  
MARICOPA United States**

Phone Type	Phone Number	Remarks
Business	+1 480-305-2085	
Business	+1 480-656-5686	Store number

Email Address	Email Remarks
admin@SOT.LLC	Business email

Online Presence Type	Online Presence URL	Remarks
Website	www.sotusa.shop	

**RECOMMENDATIONS**

Final Decision

**Revocation**

Date  
**06/27/2022**

Details

**This license was Surrendered in Lieu of Revocation.** As a result of a compliance inspection conducted from September 13, 2021, through September 22, 2021, a Report of Violations was issued. The results of this inspection warrant revocation based on the licensee's failure to conduct a NICS Check prior to transfer of a firearm to a non-licensee on [ ] occasions and for unlawfully transferring a handgun to an out of state resident on [ ] occasion. The licensee surrendered their FFL prior to the completion of a Revocation Hearing.

**Out of Business Records and Inventory Management**

**Licensee Records**

✓ Submitted to an ATF Employee

ATF Employee Name  
**(b)(6)**

**Licensee Inventory**

✓ Inventory transferred to another licensee/permittee

Date of Inventory Transfer <b>05/25/2022</b>	Business Premise Address <b>17205 E SHEA BLVD STE B100 FOUNTAIN HILLS, AZ 85268</b>
Transferee RDS Key <b>98616719</b>	
Licensee / Permittee <b>SOTUSA, LLC</b>	
Business Name	

✓ Inventory sold to non-licensee or non-permittee

Deputy Assistant Director - Industry Operations Megan Bennett's Recommendation

**Revocation**

Details

I recommend revocation as the FFL failed to conduct NICS checks when they accepted out of state CCWs in lieu of running NICS.

The results of this inspection warrant revocation based on the licensee's failure to conduct a NICS Check prior to transfer of a firearm to a non-licensee on 20 occasions and for unlawfully transferring a handgun to an out of state resident on [redacted] occasion.

Division Counsel [redacted] (b)(6) is Review

Details

I concur with the recommendation based upon policy.

Director of Industry Operations, Albert Rivera's Recommendation  
Warning Conference

Details

Concur with recommendation of Warning Conference in lieu of the suggested administrative action of revocation due to the fact that this was the licensee's first compliance inspection since obtaining their FFL in September of 2020. The 20 instances in which a NICS background check was not conducted was due to the licensee accepting out of state CCWs in error and has since been educated on the Federal laws and regulations pertaining to what can be accepted in lieu of a NICS background check and have now stated that they understand that only a qualifying AZ permit can be accepted. The 20 instances involved a total of 11 individuals.

Area Supervisor [redacted] (b)(6) Recommendation  
Warning Conference

Details

Alternate recommendation of Warning Conference.

Justification for a Recommendation of Warning Conference: As a result of a compliance inspection conducted from September 13, 2021, through September 22, 2021, a Report of Violations was issued. The results of this inspection warrant revocation based on the licensee's failure to conduct a NICS Check prior to transfer of a firearm to a non-licensee on 20 occasions and for unlawfully transferring a handgun to an out of state resident on [redacted] occasion. However, an alternate recommendation of Warning Conference is being offered for the following reasons: This is the licensee's first compliance inspection since obtaining their FFL on May 5, 2020. The licensee stated that they misunderstood the requirements for accepting out of state Carry Concealed Weapon (CCW) Permits. They now understand that only valid Arizona CCW Permits are allowed to be accepted.

All of the individuals identified in the above-mentioned transfers were run through NCIC and Accurant with no prohibiting information found. At the time of this inspection, the licensee was not associated with any traces. There was no evidence of any trafficking indicators. There were no missing firearms.

Industry Operations Investigator [redacted] (b)(6)  
Revocation

Details

From September 13, 2021 till September 22, 2021 IOI [redacted] (b)(6), and IOI [redacted] (b)(6) conducted an on site in person Firearms Compliance Inspection of Scorpius Omega Tactical LLC DBA Scorpius Omega Tactical. The licensee maintains a Type 07 Manufacturer of Firearms Other than Destructive Devices. The inspection took place at the business premises located at 16548 E. Laser Dr, Suite 1, Fountain Hills, AZ. Present for the inspection was RP Brandon Southland and RP Jane Short. IOI [redacted] (b)(6) received a verbal confirmation from the licensee that the FFL is intended to be used as a for profit business, and not for the sole purpose of purchasing personal firearms. During the inspection, IOI [redacted] (b)(6) identified violations 27 CFR 478.102(a), and 27 CFR 478.99(a). IOI [redacted] (b)(6) reviewed the Record of Violations and Acknowledgement of Federal Firearms Regulations with the RP Jane Short. As a result of the violations identified, IOI [redacted] (b)(6) recommends revocation of their license. Nothing Further.

**Inspection Findings**

**Transfer of Firearm**

- 3. Transfer of any firearm (including lower receiver) other than Rifle / Shotgun to a resident of another State.

**NICS**

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

**ELIGIBILITY VERIFICATION**

**Business Information Verification**

Licensee Name	Business Type	Is the business valid?
SCORPIUS OMEGA TACTICAL LLC	Limited Liability Company (LLC)	Yes

**Additional Findings**

Scorpius Omega Tactical LLC is an active domestic limited liability company registered on 11/17/2014 with the Arizona Corporation Commission (L19653112). As of 8/17/21, the only principle registered is [redacted] (b)(6).

**Attachments:**

Arizona Corporation Commission.pdf

**Property Ownership Verification**

Premises Ownership Type	Premises Location Type	Has the property ownership been verified?
Leased/Rented	Store Front	Yes

Address:  
16548 E LASER DR, SUITE 1  
Unit N/A  
FOUNTAIN HILLS, Arizona 85268  
MARICOPA United States

Additional Findings

The business premises is a store front commercially zoned in a suburban neighborhood in Fountain Hills, within Maricopa County. A query of the Maricopa County Assessor's Office shows the property is owned by (b)(4)

Attachment(s):

Maricopa County Assessor\_s Office.pdf

**Trade Name/DBA Verification**

Trade Name/DBA	Is the trade name/DBA registered?
SCORPIOS OMEGA TACTICAL	Yes

Additional Findings

Arizona does not require the registration of a trade name or DBA.

Attachment(s):

trade-names-trademarks.pdf

**Rental/Lease Verification**

Is the proposed business activity permitted by the property owner?

Yes

Additional Findings

There is a lease agreement on file between the property owner and the licensee.

Attachment(s):

Lease Agreement.pdf

**Zoning Information Verification**

Is the proposed business activity in compliance with zoning?

Yes

Additional Findings

The licensee has a business license from the Town of Fountain Hills. Fountain Hills does not have restrictions for store fronts. The licensee is aware of the requirement to be in compliance with all local zoning ordinances.

Attachment(s):

Fountain Hills business license.pdf

**APPOINTMENT DETAILS**

Interview Date

09/13/2021

Address

16548 E LASER DR, SUITE 1, Unit N/A, FOUNTAIN HILLS, Arizona 85268

**Responsible Attendee(s)**

**Non-Responsible Person(s)**

BRANDON OWEN SOUTHLAND

No Items

JANE ANN SHORT

**RESPONSIBLE PERSON(S)**

**BRANDON OWEN SOUTHLAND**

Name	Gender	Race	Ethnicity
BRANDON OWEN SOUTHLAND	Male	White	Not Hispanic or Not Latino
Date of Birth	SSN	Job Title	
(b)(6)	(b)(6)	MEMBER	

**Physical Identifiers**

Height	Weight	Hair Color	Eye Color

**Place of Birth**

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

**Home Address**

(b)(6)

United States

**Additional Names**

**Citizenship**

United States

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

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

Email Address	Email Remarks
(b)(6)	

**Criminal History Check**

Date Criminal History Check Conducted  
09/13/2021

Criminal History Check Comments  
NCIC check resulted in no criminal history.

**JANE ANN SHORT**

Name	Gender	Race	Ethnicity
JANE ANN SHORT	Female	White	Not Hispanic or Not Latino
Date of Birth	SSN	Job Title	
(b)(6)		MEMBER	

**Physical Identifiers**

Height	Weight	Hair Color	Eye Color
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**Place of Birth**

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

**Home Address**

(b)(6)

United States

**Additional Names**

**Citizenship**

United States

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

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

Email Address	Email Remarks
(b)(6)	

**Criminal History Check**

Date Criminal History Check Conducted  
09/13/2021

Criminal History Check Comments

NCIC check resulted in no criminal history.

**INTERVIEW QUESTIONNAIRE**

What is the proposed business activity?

The sale and manufacturing of new firearms and sporting goods to the general public.

Do they need an additional license or permit?

No

Who are their primary suppliers?

Primary supplier is: (b)(4)

**Other State or Local Permits**

Type	Number	Expiration
State/Local Business License	9182	12/31/21
State Sales Tax	21359134	12/31/21

**Business Activities**

Consultant

(b)(3)(26 USC § 6103)

Internet Sales/Transfers

Drop Shipments

Retail

Gunsmith

Selected Operational Security Measures

- Controlled Access to ATF Recordkeeping
- Controlled Access to Keys
- Current & Active Security Plan
- Designated Security Coordinator
- Suspicious persons/activities reporting protocols

**Internet Sales/Transfers Website**

www.sotusa.shop

**PREMISES INFORMATION**

Inspection Area Description

Business premises is a storefront zoned commercially in a suburban neighborhood in Fountain Hills, AZ. The inspection took place at the store counter area. All firearms and records are stored within the store in locked display cases and safes.

Primary Activity

Retail

**GPS Coordinates**

Latitude  
33.57350

Longitude  
-111.72220

Selected Physical Security Measures

- Alarm Monitoring (with Cellular Back-Up)
- Alarm Monitoring/Other Signage
- Bars on Windows
- Concrete Balusters or Other Barrier in front of location
- Floodlights
- Glass Breakage Detection
- Local Audible Alarm
- Lockable Display Rack(s)/Case(s)
- Motion Sensors
- Reinforced Heavy Duty Doors/Frames
- Safe(s)/Vault(s)
- Window Film/Tinting/Mirroring

**ONSITE SUMMARY**

Total Number of ATF Form 4473s for Inspection Review Period

Total Number of ATF 4473 Reviewed

Total Number of Open Dispositions in A & D Record

Total Number of Firearms in Inventory

603

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 These 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](#)

(b)(3)(26 USC § 6103)

AFMRA Verified  
Yes

(b)(3)(26 USC § 6103)

Additional Comments

Traces Completed: None  
NICS Checks verified: 53  
Suspicious Purchasers: 20 individuals for criminal history. No criminal history were identified.  
Firearms Verified: None  
Number of Thefts/Losses reported in the last 12 Mos.: None

(b)(3)(26 USC § 6103)

From September 13, 2021 till September 22, 2021 IOI (b)(6), and IOI (b)(6) conducted an on site in person Firearms Compliance Inspection of Scorpius Omega Tactical LLC DBA Scorpius Omega Tactical. The licensee maintains a Type 07 Manufacturer of Firearms Other than Destructive Devices. The inspection took place at the business premises located at 16548 E. Laser Dr, Suite 1, Fountain Hills, AZ. Present for the inspection was RP Brandon Southland and RP Jane Short. IOI (b)(6) received a verbal confirmation from the licensee that the FFL is intended to be used as a for profit business, and not for the sole purpose of purchasing personal firearms. IOI (b)(6) conducted a 100% inventory and review of all 4473s. As a result of the review, IOI (b)(6) identified the following violation:

- 27 CFR 478.102(a): Failure to complete a NICS/POC background check. The licensee erroneously obtained an out-of-state permit in lieu of a NICS check on all instances. IOI (b)(6) verified through NLETS and the Maricopa County Assessor's Office all Arizona addresses matched the addresses for the individuals named on the ATF Forms 4473. IOI (b)(6) and IOI (b)(6) conducted a background check on all transferees through NCIC and did not find any prohibiting information.
- 27 CFR 478.99(a): Unlawful sale or delivery of a handgun to an out of state resident and/or transfer of a long gun in violation of state law. The licensee transferred a handgun to an individual with an out-of-state address and an out-of-state identification document.

Attachment(s)

- Report of Violations.pdf
- Report of Violations.pdf
- Report of Violations.pdf
- Report of Violations.pdf
- Licensee Response to Violations Report.pdf
- Licensee Response to Violations Report.pdf
- Licensee Response to Violations Report.pdf

**REPORT OF VIOLATIONS**

Regulation	Corrective Actions	Instance Details
1 27 CFR 478.102(d)(1): Failure to obtain a valid alternative permit in lieu of a NICS check  Number of Instances: 0	Ensure that a qualifying NICS alternative permit is properly obtained, validated 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.	
2 27 CFR 478.99(a): Unlawful sale or delivery of a handgun to an out of state resident and/or transfer of a long gun in violation of state law  ATF Forms 4473: [redacted] Number of Instances: [redacted]	Cease and desist all firearm transfers (including lower receivers) other than a rifle or shotgun, to residents of another state.	(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)
27 CFR 478.102(a): Failure to complete a NICS/POC background check  ATF Forms 4473: 20 Number of Instances: 20	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, 10121. NICS Violation, 10207. NICS Violation, 10081. NICS Violation, 10234. NICS Violation, 10131. NICS Violation, 10160. NICS Violation, 10163. NICS Violation, 10183.  (b)(6)

		NICS Violation, 10191 NICS Violation, 10208 NICS Violation, 10021 NICS Violation, 10016 NICS Violation, 10056 NICS Violation, 10036 NICS Violation, 10034 NICS Violation, 10031 NICS Violation, 10413 NICS Violation, 10357 NICS Violation, 10419 NICS Violation, 10425	<div style="border: 1px dashed black; padding: 10px; font-size: 2em; font-weight: bold;">(b)(6)</div>
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**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  Number of Instances: 0	Ensure that a qualifying NICS alternative permit is properly obtained, validated 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 understands the mistake was made and it was a misunderstanding of reciprocity. Will ensure a double system is in place for all 4473s.	Status <b>Licensee Notified</b>  Verified Method <b>In Person</b>  Date Licensee Notified <b>09/22/2021</b>
27 CFR 478.99(a): Unlawful sale or delivery of a handgun to an out of state resident and/or transfer of a long gun in violation of state law  ATF Forms 4473: <input type="checkbox"/> Number of Instances: <input type="checkbox"/>	Cease and desist all firearm transfers (including lower receivers) other than a rifle or shotgun, to residents of another state.	The licensee understands the mistake was made and it was a misunderstanding of reciprocity. Will ensure a double system is in place for all 4473s.	Status <b>Licensee Notified</b>  Verified Method <b>In Person</b>  Date Licensee Notified <b>09/22/2021</b>
27 CFR 478.102(a): Failure to complete a NICS/POC background check  ATF Forms 4473: 20 Number of Instances: 20	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.	The licensee understands the mistake was made and it was a misunderstanding of reciprocity. Will ensure a double system is in place for all 4473s.	Status <b>Licensee Notified</b>  Verified Method <b>In Person</b>  Date Licensee Notified <b>09/22/2021</b>

**CLOSING CONFERENCE**

{ 9/22/2021 }

09/22/2021

Attachment(s)

**Attendee(s)**

BRANDON OWEN SOUTHLAND

**EXHIBITS**

Inspection

Category	Attachment Name
Correspondence	Spartan Notification RE: 9-86-15500 Inspection Results
Correspondence	Spartan Notification RE: 9-86-15500 Monitored Case
Correspondence	Spartan Notification RE: 9-86-15500 Monitored Case
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Correspondence	Spartan Notification RE: 9-86-15500 Monitored Case
Correspondence	Spartan Notification RE: 9-86-15500 Monitored Case
Correspondence	Spartan Notification RE: 9-86-15500 Monitored Case
ReturnedSignedROV	Report of Violations Revised to 102a signed.pdf
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
ViolationsPDF	Report of Violations.pdf
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
ReturnedSignedROV	Report of Violations Revised.pdf
ViolationsPDF	Report of Violations.pdf
Correspondence	Information Concerning Your Federal License/Permit
ClosingConferenceSummary	Acknowledgment of Regulations pdf
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
ViolationsPDF	Report of Violations.pdf
Correspondence	
Correspondence	Information Concerning Your Federal License/Permit
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Correspondence	
ViolationsPDF	Report of Violations.pdf
ZoningVerification	Fountain Hills business license pdf
RentalLeaseVerification	Lease Agreement pdf
TradeNameVerification	trade-names-trademarks.pdf
PropertyOwnershipVerification	Maricopa County Assessor_s Office.pdf
BusinessVerification	Arizona Corporation Commission.pdf

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

In the matter of License Number 9-86-013-07-3K-15500 , as a/an

Manufacturer of Firearms Other than Destructive Devices issued to:

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

Scorpios Omega Tactical LLC  
16548 East Laser Drive, Suite #1  
Fountain Hills, AZ 85268

### 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 40 North Central Avenue, Suite #1000, Phoenix, AZ 85004, 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
02/02/2022	Kristina Babcock, Director, Industry Operations	KRISTINA BABCOCK <small>Digitally signed by KRISTINA BABCOCK Date: 2022.02.02 08:11:08 -0700</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: 70212720000211935446 Or  Delivering a copy of the notice to  
the address shown below.

Date Notice Served	Title of Person Serving Notice	<b>(b)(6)</b>
02/03/2022	Executive Assistant	

Print Name and Title of Person Served	Signature of Person Served ( <i>if applicable</i> )

Address Where Notice Served  
16548 East Laser Drive, Suite #1, Fountain Hills, AZ 85268

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 Scorpios Omega Tactical LLC, (“Licensee”), a Manufacturer in Firearms Other Than Destructive Devices. Specifically, the Director, Industry Operations, United States Department of Justice, ATF, Phoenix 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 with Licensee Responsible Persons Brandon O. Southland and Jane A. Short as part of the application inspection.

### Current Inspection

Beginning on or about September 12, 2021, ATF Industry Operations Investigators (b)(6) and (b)(6) conducted a compliance inspection of Licensee’s premises that revealed the following:

### **Background Check Violations**

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

**Appendix**

Transferee's Name	Date	Discrepancy
<b>(b)(6)</b>	01/27/2021	No NICS check conducted
	03/13/2021	No NICS check conducted
	01/03/2021	No NICS check conducted
	03/18/2021	No NICS check conducted
	02/05/2021	No NICS check conducted
	02/19/2021	No NICS check conducted
	02/21/2021	No NICS check conducted
	03/03/2021	No NICS check conducted
	03/06/2021	No NICS check conducted
	03/13/2021	No NICS check conducted
	11/14/2020	No NICS check conducted
	11/06/2020	No NICS check conducted
	12/17/2020	No NICS check conducted
	12/01/2021	No NICS check conducted
	12/01/2021	No NICS check conducted
	11/29/2020	No NICS check conducted
	08/04/2021	No NICS check conducted
	05/25/2021	No NICS check conducted
	08/12/2021	No NICS check conducted
	08/16/2021	No NICS check conducted

## EXPLANATION OF THE HEARING PROCESS



The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) has decided to deny your original or renewal application for a Federal firearms license, or to revoke, suspend and/or impose a civil fine on your existing license.

As stated on the enclosed Notice of Denial, Revocation, Suspension and/or Fine, you have the right to request a hearing. This brochure provides general guidance to assist you in making a decision on requesting a hearing, and to appropriately prepare for a hearing should you request one.

### **Background**

27 C.F.R. §§ 478.71 – 478.73

The Gun Control Act of 1968 (GCA) and its implementing regulations specify certain licensing requirements for those intending to engage in the business of importing, manufacturing, or dealing in firearms, or importing or manufacturing ammunition.

The GCA authorizes ATF to deny a license application when an inspection reveals the applicant is not qualified to receive or continue to hold the license. ATF may revoke a license when a licensee willfully violates the GCA or its implementing regulations.

For purposes of the regulatory provisions of the GCA, a “willful” violation occurs when the licensee knew of his or her legal obligations and either purposefully disregarded or was plainly indifferent to those requirements. ATF is not required to prove a licensee *intended* to violate the law.

Under limited circumstances, ATF may revoke or suspend a license and/or impose a civil fine against a licensee who knowingly violates certain provisions of the GCA.

### **Hearing Request and Representation**

27 C.F.R. §§ 478.74 and 478.76

You have the right to request a hearing. If you wish to do so, you must file a request, in writing, with the Director, Industry Operations (DIO) within 15 days after the receipt of the enclosed Notice.

An applicant or licensee may be represented at the hearing by an attorney, certified public accountant or other person recognized to practice before ATF as provided in 31 C.F.R. Part 8.

### **Pre-Hearing Resolution**

27 C.F.R. §§ 478.72 and 478.74

You may submit an offer to settle or other proposed resolution prior to the hearing. If you wish to present your offer in person, you must request to do so within the same 15 days as allotted for a hearing. A request for a pre-hearing resolution should be made in writing to the DIO. ATF is not obligated to grant requests for in-person meetings or proposals for resolution.

You may also submit offers of potential resolution to the DIO after the hearing, but before a final decision is rendered; however, the DIO will not entertain settlement offers at the hearing.

## EXPLANATION OF THE HEARING PROCESS

### Hearing Overview

27 C.F.R. §§ 478.72, 478.74, 478.76, 478.77

Upon receipt of a timely request and after consultation with you, ATF will set the date, time and place of the hearing. You will then receive formal notification via certified mail, return receipt request. Please be advised that ATF may reschedule a hearing for good cause, as determined by the DIO.

The DIO will preside over the hearing. The purpose of the hearing is to allow both parties to present, in an orderly manner, all relevant evidence and arguments regarding the proposed licensing action.

The hearing itself is informal in nature which means that formal courtroom procedures, including sworn testimony and rules of evidence are not followed. During the hearing, you will have the opportunity to submit facts and arguments for review and consideration. An ATF-hired court reporter will be present to transcribe the hearing. The resulting transcript, along with the exhibits presented at the hearing, constitute the official record of the hearing. You may order a copy of the transcript at your own expense. Video recording of the hearing is not permitted.

An ATF attorney will present evidence in support of the licensing action. The ATF industry operations investigator(s) who conducted your inspection and/or other ATF employees who have relevant information concerning your case may testify.

At the conclusion of the government's presentation, you will have the opportunity to respond. You should state your case as clearly and factually as possible. Your presentation should focus on the violation(s) described in the Notice you received. You may also bring other witnesses who are able to speak to the violation(s) cited in the Notice. Both you and the government have

the right to question all witnesses. Please note that all persons attending the hearing must bring a valid form of state or federal government issued identification (e.g., driver's license or passport) for entry.

In addition to oral testimony, you may also present written documentation. Regardless of its form, all evidence presented at the hearing must be relevant. Relevant evidence is evidence that tends to prove or disprove an issue at the hearing, such as whether the alleged violation occurred as stated in the Notice.

**NOTE: It is a violation of law to possess or cause to be present a firearm or other dangerous weapon in a Federal facility. 18 U.S.C. § 930(a). Violation of this law will result in termination of hearing proceedings and a referral to law enforcement.**

### After the Hearing

27 C.F.R. §§ 478.72, 478.74, 478.78

Following completion of the hearing, the court reporter will prepare a transcript of the hearing. After reviewing the transcript and all evidence submitted at the hearing, the DIO will make the final licensing decision for ATF.

Should the DIO determine that the allegation(s) contained in the Notice are substantiated, he or she may issue a Final Notice of Denial, Revocation, Suspension and/or Fine of Firearms License, which ATF would send to you via certified mail, return receipt requested.

You may appeal the DIO's final decision to the appropriate Federal district court within 60 days for de novo judicial review.

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

## Scorpios Omega Tactical, LLC

On February 2, 2022, the Bureau of Alcohol, Tobacco, Firearms and Explosives (“ATF”) issued a Notice to Revoke or Suspend License and/or Impose a Civil Fine, ATF Form 4500 (5300.4) (“Notice”) to Scorpios Omega Tactical, LLC, Federal Firearms License number 9-86-013-07-3K-15500. By letter dated February 18, 2022, Scorpios Omega Tactical, LLC responded to the Notice by timely requesting a hearing on the Notice. That hearing is scheduled to occur on April 14, 2020. Scorpios Omega Tactical has advised ATF that by signing this agreement it surrenders Federal Firearms License number 9-86-013-07-3K-15500 and will not appear at a hearing. This document memorializes that agreement which serves the interests of justice.

1. The violations cited in the Notice factually took place as stated in the Notice, a copy of which is attached hereto as Attachment A.
2. Scorpio Omega Tactical, LLC does not contest that it committed the violations alleged in the Notice. It does contest that the violations were willful.
3. Execution of this Agreement does not prohibit Scorpios Omega Tactical, LLC’s Responsible Persons Brandon O. Southland or Jane A. Short from submitting an application for a Federal firearms license in the future. However, ATF may include the acknowledged violations as a factual predicate for any action it takes regarding such application or any future license issued to Southland or Short, or in which either is a responsible person for a Federal firearms license.
4. Scorpios Omega Tactical, LLC agrees to cease all business operations requiring a federal firearms license within 30 days of execution of this document. This includes but is not limited to all purchases, receipts, and sales of firearms, ordering firearms for sale or transfer, gunsmithing and online selling and purchasing firearms. Furthermore, after ceasing operations Brandon O. Southland and Jane A. Short will not directly or indirectly engage in any firearms operations in

which a federal firearms license is required, including operating through a surrogate firearms licensee.

5. If Scorpions Omega Tactical, LLC finds a purchaser who will acquire its firearms business, ATF agrees to work with the purchaser in expediting the Federal firearms license application process. ATF will also request expedited processing **(b)(3)(26 USC § 6103)** forms initiated by Scorpions Omega Tactical pursuant to this agreement.

6. Scorpions Omega Tactical, LLC may request an extension from ATF to keep its license active for the sole purpose of liquidating its inventory and completing the required ATF Forms and its Acquisition and Disposition Record. The decision to grant any extension is solely at the discretion of ATF's Director, Industry Operations, Phoenix Field Division.

Signed this 15 day of April, 2022.

**(b)(6)**

Brandon O. Southland  
Owner, and Responsible Person  
Scorpions Omega Tactical, LLC

Signed this 15 day of April, 2022.

**(b)(6)**

Jane A. Short  
Owner, and Responsible Person  
Scorpions Omega Tactical, LLC

Signed this 18 day of April 2022.

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Kristina Babcock, Director, Industry Operations  
Bureau of Alcohol, Tobacco, Firearms and  
Explosives, Phoenix Field Division