



# Standard Operating Procedure (SOP)

## Preventing Straw Purchases

Title	<u>Objective</u>	Created/Revised
Preventing Straw Purchases	This procedure is intended to educate and guide firearm dealer employees on recognizing and preventing potential straw purchase attempts. This is essential to protect public safety, comply with ATF stipulations, and safeguard the Federal Firearms License (FFL) from liability or revocation.	September 8, 2021 October 10, 2024

### Steps for Preventing Straw Purchases:

#### 1. Recognizing Straw Purchase Indicators

Be vigilant for the following signs, as they may indicate a potential straw purchase attempt:

- Unknown individuals purchasing the same firearm that a recently denied person attempted to buy.
- Purchasers with the same last name or address as someone who was denied.
- Family members or associates offering to complete paperwork on behalf of a denied individual.
- Repetitive purchases of identical or similar firearms, especially if they are not collectible items.
- Bulk purchases using recently issued identification.
- New /unknown customers buying large quantities of firearms.
- Purchasers who avoid negotiating prices or request no discounts for multi-gun purchases.

- Use of large amounts of cash as payment.
- Customers with out-of-state vehicle tags.
- Customers working in pairs to conceal conversations or decisions.
- Purchasers taking or sending cell phone pictures to unknown parties.
- Buyers talking on their phone while inspecting firearms.
- Avoidance of conversations with staff when purchasing firearms.
- Reluctance to complete required paperwork.
- Little to no knowledge of or experience with the firearms they intend to buy.

## **2. Engaging with Customers**

- **Know Your Customers:** Build rapport by engaging them in conversation. Determine if the customer has authentic interest in the firearm and determine what his/her future interest and intent of use with the firearm will be.
- **Ask Questions:** If a situation seems suspicious, politely inquire about the customer's intent and background.
- **Trust Your Instincts:** If something feels off, it likely is. Use discretion to pause or refuse the transaction.

## **3. Steps to Prevent Suspicious Sales**

### Carefully Monitor Customer Behavior

- Observe customers closely during the entire transaction process. Look for behaviors that seem rushed, evasive, or overly compliant.
- Pay attention to individuals who appear to be coached by another person in the store or outside via phone or other means.

### Request Clarifications

- If any doubt arises about the purchaser's intent, ask direct but professional questions. Examples include:
  - "Are you purchasing this firearm for yourself?"
  - "Are you familiar with the operation of this firearm?"
  - "Have you purchased firearms from us before?"

## Verify Consistency of Responses

- Ensure that the answers provided by the purchaser align with their behavior and paperwork. Discrepancies in their story can be a red flag.

## Refuse the Sale When Necessary

- Remember that FFL employees have the legal right to refuse a sale or transfer to anyone for any reason whatsoever if there is suspicion of unlawful activity.
- Politely inform the customer of your decision. **You are not required to provide a detailed explanation.**

## Document and Report the Incident

- Record the incident, including descriptions of the purchaser's behavior, any questions asked, and the reasons for refusal.
- Notify your manager or owner immediately and ensure the incident is reported to the ATF and local law enforcement if necessary.

## 4. Maintaining Accurate Records

- Ensure all required paperwork, including Form 4473, is accurately completed and retained.
- Verify identification documents thoroughly and check for inconsistencies.
- Sticker/Marking Program – In the event a firearm is involved in a “Denied” sale, the FFL places a small decal on or makes a marking on the firearms fact tag/pricing label. This provides an indication to employees that the firearm was involved in a “Denied” sale and alerts them to evaluate the sale further and ensure they verify that the current buyer is not related to or associated with the individual involved in the “Denied” transaction.
- Denied Transaction Log - In the event a firearm is involved in a “Denied” sale, the FFL logs the Firearm in a Denied Transaction Log. While the Transferee is completing Section A of the Form 4473, the FFL employee cross references the firearm against the Denied Transaction Log to determine if it has been involved in a “Denied” transaction.
- Form 4473 for NICS/POCS Denied/Cancelled Transfers Must Be Retained
  - If the transfer of a firearm is denied/cancelled by NICS/POCS, or if for any other reason the transfer is not completed after a NICS/POCS check is initiated; the licensee must retain the ATF Form 4473 in his/her records. Forms 4473 with respect to which a sale, delivery, or transfer did not take place shall be separately retained in alphabetical (by name of transferee) or chronological (by date of transferee's certification) order.

## 5. Reporting Suspicious Activity

- Contact Law Enforcement and ATF:
    - Encourage the suspected straw purchaser to complete Section B of Form 4473 and a copy of the customer's ID if possible.
    - Obtain the purchaser's telephone number under the pretense of following up on background check delays.
    - Discontinue the sale and report the incident to ATF and local law enforcement.
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### **Critical Reminders for Employees:**

- A straw purchase involves someone buying a firearm for another individual who cannot or does not want their identity known.
  - Conducting a straw purchase is a federal crime that could jeopardize public safety and lead to severe penalties for your business.
  - It is illegal for a purchaser to answer "yes" to Question 21(a) on Form 4473 if they are not the actual buyer.
  - Staying alert and following this SOP will minimize risks and ensure compliance with all legal requirements.
  - Employees have the absolute right to refuse the sale or transfer of a firearm to any customer if they feel uncomfortable or suspicious about the transaction. Protecting public safety and maintaining compliance should always take precedence.
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### **Expanded Guidelines for Employees:**

#### Refusal of Sale

#### When and How to Refuse a Sale

- If you suspect a straw purchase or other illegal activity, inform the customer that you are unable to proceed with the transaction.
  - Use clear and professional language, such as:
    - "I'm sorry, but I cannot complete this sale today."
    - "I'm unable to process this transaction at this time."
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- Avoid accusing the customer directly, as this could escalate the situation. Focus on maintaining a calm demeanor.

#### Backing Up Your Decision

- Document the reasons for refusal in detail, including:
  - Date, time, and location of the incident.
  - Descriptions of the purchaser and their behavior.
  - Any specific statements or actions that raised concerns.
- Notify your manager and retain this documentation securely for future reference.

#### Preventing Conflict

- If the customer becomes agitated or confrontational, remain composed and professional.
- If necessary, seek assistance from other staff or contact local law enforcement for assistance.

#### Employee Training

##### Regular Training Sessions

- Conduct routine training for all employees on:
  - Recognizing straw purchase indicators.
  - Proper procedures for refusing suspicious sales.
  - Legal and regulatory updates related to firearm sales.

##### Scenario-Based Training

- Use role-playing exercises to help employees practice responding to potential straw purchasers. Scenarios should include:
  - A purchaser trying to use cash for bulk purchases.
  - A customer avoiding questions about their knowledge of the firearm.
  - Two individuals attempting to make a purchase together, with one avoiding interaction.

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#### Summary:

This SOP outlines steps for firearm dealers to recognize, prevent, and report straw purchase attempts. Employees should remain vigilant, engage with customers, maintain accurate records, and trust their

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instincts. Reporting suspicious activities to ATF and local law enforcement is essential to upholding public safety and protecting the business.

Instructions for Use:

- Review this SOP with all employees regularly.
  - Post reminders of key indicators and reporting procedures in employee-only areas.
  - Encourage an open dialogue among staff to discuss suspicious activities and share best practices.
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