

AFFIDAVIT

I, Steven J. Bauer, being duly sworn, depose and state:

1. That I am a Special Agent employed by the Bureau of Alcohol, Tobacco and Firearms, United States Department of the Treasury, and that I have been so employed for the past 1 1/2 years.

2. That as a result of my training and experience as a Special Agent for the Bureau of Alcohol, Tobacco and Firearms. I am familiar with the Federal Firearms Laws and know that it is unlawful for a person who is a licensed importer, dealer, manufacturer or collector knowingly to make false entry, or fail to make appropriate entry, or fail to maintain any record he is required to keep pursuant to 18, USC, 923 or regulations promulgated thereunder.

3. On May 30, 1986, pursuant to a Warrant for Inspection and Examination as authorized by 18 USC Section 923 (g), issued by the United States Magistrate, United States District Court for the Central District of Utah, the affiant did conduct an inspection of American Research and Development Co., Inc., a licensed dealer in firearms located at 3386 West 1987 South, Salt Lake City, Utah 84104, in the Central District of Utah.

4. Such licensee holds License No. 9-87-018-017-G8-07168 with an expiration date of July 1, 1988, as a Manufacturer of Firearms Other than Destructive Devices. The licensee reported to the Bureau of Alcohol, Tobacco and Firearms, pursuant to law, the production of 1,000 Am 180 machine guns on May 15, 1986. The purpose of the inspection was to verify

Control Act of 1968, which prohibited the manufacture of machine guns after May 19, 1986.

5. Prior to serving the warrant at the premises, the affiant was advised by Charles Goff, Jr., Vice President of American Research and Development Co., Inc., that most of the 1,000 Am 180 machine guns were

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being transported by Charles Goff, Sr., President of the company, to their new head quarters in Boca Raton, Florida. Mr. Goff, Jr., advised that only 40-50 of the guns were at the Salt Lake City location.

6. Upon execution of the Warrant of Inspection and Examination and the subsequent ssearch it was determined that none of the Am 180 machine guns produced on May 15, 1986, were on the premises. A review of records at the business indicated that American Research and Developmnt Co., Inc., had produced an additional 1,000 Am 180 machine guns on May 16, 1986, and had registered them with the Bureau of Alcohol, Tobacco and Firearms as prescribed by law. None of those firearms were on the premises. Sheree Olsen, the only on-site employee of American Research and Development Co., Inc., at the time of the warrant execution, stated that the May 16th production of 1,000 machine guns were also being transported Mr. Goff, Sr., to Florida. Ms. Olsen also produced an invoice from Advanced Manufacturing Technology, 3329 West 2555 South, Salt Lake City, Utah, for 1,000 Am 180 receivers, dated May 15, 1986. During the search, it was noted that the premises contained aporoximatelv 60 firearms and silencers.

7. The Acquisition and Disposition of Firearms records for American Research and Development were retained by the affiant. A subsequent review of those records indicated that American Research and Development Co., Inc., should have had approximately 700 firearms and silencers in inventory, or appropriate disposition forms and records.

8. On June 2, 1986, John Marshall, attorney for American Research and Development Co., Inc., supplied the affiant with a photocopy of a letter addressed to the Bureau of Alcohol, Tobacco and Firearms dated May 18, 1986. The letter requested the Bureau disregard the registration of machine guns produced on "May 15th and 17th." The

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letter was signed by Charles Goff, President of American Research and Development.

9. On June 3, 1986, the affiant interviewed Dennis Barney, General Manager of Advanced Manufacturing Technology. Mr. Barney stated that on May 16, 1966, American Research and Development Co., Inc., through Charles Goff, Jr., contracted with them to produce 1,000 M2 Modeel C machine gun receivers for \$30,000. Mr. Barney stated that they received payment in full for the contract and were told to produce them as soon as possible. Mr. Barney stated that Mr. Goff, Jr., wanted production expedited as a change in the Federal Firearms laws would prohibit the manufacture in the near future.

10. On June 4, 1986, the affiant interviewed Bureau of Alcohol, Tobacco and Firearms Inspector Doreen Marin. On April 25, 1986, Inspector Marin conducted a routine compliance inspection of American Research and

Development Co. Charles Goff, Jr., was interviewed at the business premises. At that time, the Volkmer Bill was disclosed. Goff stated that he had been very busy meeting with Senators and lobbyists discussing the ramifications of the bill. Goff produced a copy of the bill and explained to inspector Marin that this provision of the bill would become law immediately upon Presidential signing. He stated to Inspector Marin that his best information indicated that President Reagan would sign the bill in three to four weeks, and that he (Goff) intended to increase production of machine guns prior to that date. In two phone conversations overheard during the inspection, Goff stated that "we have four weeks at the outside" prior to the new law taking effect.

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11. That based upon the above, I believe there exists probable cause to believe there are presently approximately 700 firearms or firearms transaction records including, but not limited to: ATF Forms 2, Notice of Firearms Manufactured or Imported; ATF Forms 3, Application for Tax Exempt Transfer; ATF Forms 4, Application for Tax Paid Transfer; ATF Forms 5, Application for Tax Exempt Transfer; ATF Forms 4473, Firearms Transaction Records; and commercial documents including, but not limited to, purchase and sales invoices for firearms, parts, and materials thereof; and financial records in the business of American Research and Development Co., Inc., 3386 West 1987 South, Salt Lake City, Utah, which are evidence of the fruits and instrumentalities of a violation of Title 18 U.S.C., Section 922(m).

Steven J. Bauer

Special Agent

Bureau of Alcohol, Tobacco & Firearms

SUBSCRIBED AND SWORN to before me on
this 4th day of June, 1986.

Calvin Gould

U.S. Magistrate

TIME: 3:28pm