

**IN THE CIRCUIT COURT OF JACKSON COUNTY, MISSOURI
AT KANSAS CITY**

CITY OF KANSAS CITY, MISSOURI,)	
)	
Plaintiff,)	
)	
v.)	
)	
JIMENEZ ARMS, INC., a Nevada Corporation;)	
SUZETTE NELSON, an individual,)	
f/d/b/a CONCEAL & CARRY;)	
MIKE & SUE ENTERPRISES, INC.,)	Case No. _____
a Missouri Company, f/d/b/a)	
CONCEAL & CARRY;)	
CR SALES FIREARMS LLC,)	
a Missouri Company;)	JURY TRIAL DEMANDED
HERB WILLIAM BUTZBACH III,)	
d/b/a MISSION READY GUNWORKS;)	
JAMES SAMUELS, an individual; and)	
IESHA BOLES, an individual,)	
)	
Defendants.)	

PETITION FOR DAMAGES AND INJUNCTIVE RELIEF

COMES NOW, Plaintiff the City of Kansas City, Missouri (“the City”), by and through its attorneys, for the City’s causes of action against the following defendants: Jimenez Arms, Inc., Suzette Nelson f/d/b/a Conceal & Carry, Mike & Sue Enterprises, Inc. f/d/b/a Conceal & Carry, CR Sales Firearms LLC, Herb William Butzbach III d/b/a Mission Ready Gunworks, James Samuels, and Iesha Boles (jointly, “the Defendants”).

SUMMARY OF ACTION

1. This case involves an unlawful scheme to traffic pistols into the Kansas City, Missouri area. At the center is Defendant James Samuels, who sold these pistols to people with felony convictions, often through straw purchasers, such as Defendant Iesha Boles. Samuels was aided and abetted by a group of Kansas City-area firearms dealers and one manufacturer of cheap

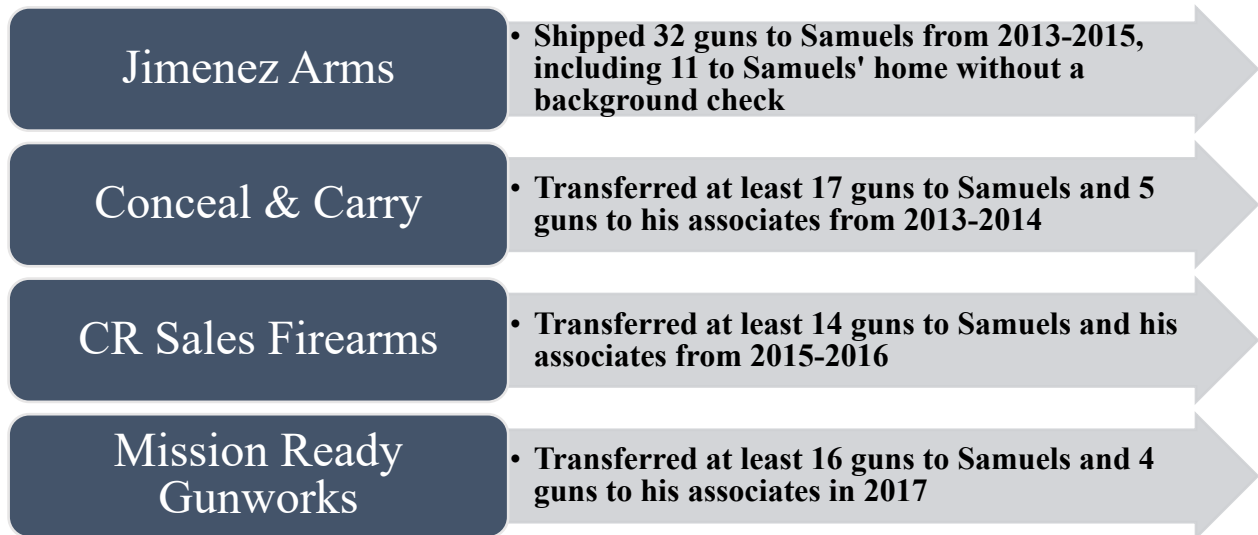
pistols favored by criminals. The consequences of this scheme were all too predictable: the guns turned up at crime scenes involving drugs, domestic violence, and murder.

2. The Defendants' conduct worked an irreparable harm on the health and well-being of Kansas City residents and imposed significant costs on the City by exacerbating the ongoing gun violence crisis in the City. In recent years, Kansas City has suffered one of the highest per-capita homicide rates among U.S. cities. In 2018, a firearm (usually a handgun) was used in 96 percent of homicides in the City. Jimenez Arms guns, which all of the Defendants illegally distributed, were frequently (and disproportionately) recovered at crime scenes in the Kansas City area. Over the five-year period from 2014 to 2018, the Kansas City Police Department recovered, seized, or held as evidence at least 166 Jimenez Arms guns.

3. Defendant James Samuels, a former Kansas City firefighter, trafficked at least 77 firearms over a five-year period, the majority of which were manufactured and distributed by Jimenez Arms. Samuels knew people who wanted cheap handguns but who could not buy them legally. And he knew people like Defendant Iesha Boles, who served as a "straw purchaser" in Samuels' scheme – obfuscating the connection between Samuels and the trafficked guns.

4. During the course of the gun trafficking scheme, Defendant Jimenez Arms sold 32 pistols directly to Samuels in violation of numerous federal laws. Jimenez Arms sold these pistols to Samuels for an average price of roughly \$115 apiece – that is, at wholesale prices – despite knowing that Samuels was not a licensed dealer. Samuels typically re-sold the Jimenez Arms pistols for \$200 to \$300, giving him a significant profit margin. Jimenez Arms knew, or should have known, that firearms, like certain prescription drugs, are one of the few consumer products that can be bought and then immediately resold at a higher price. Both products can ravage communities when they are distributed through illegal distribution channels.

5. Defendants Conceal & Carry, CR Sales Firearms, and Mission Ready Gun Works (“the Gun Dealer Defendants”) facilitated the illegal transfer of dozens of guns to and from Samuels. Samuels made no effort to conceal from the Gun Dealer Defendants that he was buying and selling firearms as a business – frequently purchasing them in bulk and transferring them to associates within days or weeks of acquiring them.



6. In facilitating Samuels’ gun trafficking scheme, Defendant Jimenez Arms and the Gun Dealer Defendants violated numerous federal laws and regulations. Because they knew or consciously avoided knowing that Samuels was dealing in firearms without the required federal license, Jimenez Arms and the Gun Dealer Defendants aided and abetted Samuels’ illegal conduct.

7. Jimenez Arms and the Gun Dealer Defendants knew, or should have known, that gun trafficking and straw purchasing are common methods used to place guns into the hands of prohibited persons, who in turn foreseeably use them to commit crimes. Yet Jimenez Arms and the Gun Dealer Defendants chose to sell numerous guns to an individual who they knew was openly engaged in unlicensed gun dealing.

8. Some of the detrimental effects of the trafficking operation are already known. Several guns purchased by Samuels ended up at crime scenes or were recovered from persons

prohibited from possessing firearms. Some of the detrimental effects are yet to be known, as many of the trafficked firearms have not yet been recovered.

JURISDICTION AND VENUE

9. This Court has both subject matter jurisdiction over this action and personal jurisdiction over all the defendants who are doing, or have done, business within Missouri. In addition, the Court has specific personal jurisdiction over Defendant Jimenez Arms because, *inter alia*, the causes of action alleged herein arise from Defendant Jimenez Arms' transactions within the State of Missouri and Defendant Jimenez Arms committed tortious acts within the State of Missouri.

10. The Circuit Court of Jackson County is a proper venue because the City's causes of action arise from events occurring in Jackson County, Missouri.

PARTIES

11. Plaintiff is a duly organized constitutional charter city of the State of Missouri which may sue and plead in its own name. Plaintiff's purpose is to provide for the public health, safety and welfare of its citizens. The City has one of the highest rates of gun violence deaths and injuries among cities in the United States. The trafficking of cheap handguns into the City, and the surrounding area, has contributed to the crisis of gun violence and the public nuisance for which the City seeks relief. The City directly and foreseeably sustained all economic damages alleged herein. Defendants' conduct has imposed a financial burden for which the City seeks relief. These damages have been suffered, and continue to be suffered, directly by the City. The City also seeks the means to abate the nuisance created by Defendants' wrongful and unlawful conduct.

12. Defendant Jimenez Arms, Inc. ("Jimenez Arms") is a federally licensed firearms manufacturer located in Henderson, Nevada. At all relevant times, Jimenez Arms conducted

business in Missouri; according to its website there are 49 authorized Jimenez Arms dealers in Missouri. Jimenez Arms directly and indirectly serves the market for its guns in Missouri and delivers its products into the stream of commerce with the expectation that they will be purchased by consumers in Missouri. Service of process can be made on Jimenez Arms at 7380 Eastgate Road, Suite 150, Henderson, NV 89011 or by serving its registered agent, Paul Jimenez, at 5550 Reference Street, Las Vegas, NV 89122.

13. Defendant James Samuels is a resident of Missouri. In October 2018, Samuels was criminally charged in the United States District Court for the Western District of Missouri with numerous violations of federal gun laws, including engaging in the business of dealing in firearms without a federal license, conspiring to make false statements during the purchase of firearms and selling guns to prohibited individuals. Service of process can be made on James Samuels at the following address: U.S. Probation and Pretrial Services, Leavenworth Detention Center, 100 Highway Terrace, Leavenworth, KS 66048.

14. Defendant Iesha Boles is a resident of Missouri. Boles was criminally charged in the United States District Court for the Western District of Missouri with conspiring to make false statements during the transfer of firearms. On May 28, 2019, Boles pled guilty to this charge and is currently awaiting sentencing. Service of process can be made on Iesha Boles at the following address: 2530 Spruce Ave., Kansas City, MO 64127-4549.

15. Defendant Herb William Butzbach III is a federally licensed firearms dealer doing business under the name Mission Ready Gunworks in North Kansas City. Butzbach operates the gun dealership in his individual capacity. Since on or around the second half of 2015, Butzbach has operated the gun dealership at 1214 Linn Street, North Kansas City, MO 64116. Service of

process may be made at that address. Defendant Herb William Butzbach III and Mission Ready Gunworks are jointly referred to herein as “Mission Ready Gunworks.”

16. Defendant Suzette Nelson was the vice president, secretary, and incorporator of Defendant Mike & Sue Enterprises Inc., which operated as a licensed firearm dealer under the name Conceal & Carry. The Missouri Secretary of State administratively dissolved Mike & Sue Enterprises Inc. on February 20, 2013, and issued a notice warning that “[a] corporation administratively dissolved may not carry on any business except that necessary to wind up and liquidate its business and affairs under Section 351.476.” Because all of Conceal & Carry’s alleged transactions with Defendants James Samuels, Iesha Boles, and Jimenez Arms post-dated the dissolution of Mike & Sue Enterprises Inc., Suzette Nelson, as an officer and director of Mike & Sue Enterprises Inc., is personally liable for business conducted in the company’s name. Defendants Suzette Nelson and Mike & Sue Enterprises Inc. may be served with process at 1735 Lakewood Terrace, Belton, MO 64012. For ease of reference, Suzette Nelson, Mike & Sue Enterprises Inc., and Conceal & Carry are jointly referred to as “Conceal & Carry.”

17. Defendant CR Sales Firearms LLC (“CR Sales”) is a limited liability company and federally licensed firearms dealer located in Independence, Missouri. Service of process can be made at the following address: c/o Charles Peter Rice, 8814 E. 85th Street, Raytown, MO 64138.

GENERAL ALLEGATIONS

Regulatory framework for dealing in firearms

18. Samuels, Boles, Jimenez Arms, and the Gun Dealer Defendants each violated, assisted the violation of, and conspired to violate firearm laws and regulations.

19. Federal laws and regulations closely regulate commercial sales of firearms. Dealers and manufacturers are known as “licensees” because they must obtain a federal license to operate

a business that manufactures, distributes, or sells firearms. A person is categorically prohibited from “engag[ing] in the business of importing, manufacturing, or dealing in firearms” without a federal firearms license. 18 U.S.C. §§ 922(a)(1), 923(a). A person must be licensed if they “devote [] time, attention, and labor to engaging in” the dealing of firearms with the purpose of making a profit. *See* 18 U.S.C. § 921(a)(21)(C). Even a person who deals in guns part-time is required to obtain a license. *See* 27 C.F.R. § 478.11.

20. Federal law also prohibits dealers, manufacturers, and anyone else from assisting an individual’s unlawful dealing in firearms: it is illegal to aid and abet or conspire with another to deal in firearms without a license. *See* 18 U.S.C §§ 2, 371. In addition, concealing an individual’s unlawful dealing in firearms is prohibited: a dealer, manufacturer, or other person who knows of the commission of a felony firearms offense, conceals the offense, and does not report the offense to law enforcement, violates 18 U.S.C. § 4.

21. Federal firearms laws carry a purpose: to prevent crime by keeping guns out of the hands of certain persons who have a heightened risk of misusing firearms, such as minors, persons with felony convictions, and domestic abusers. *See generally* 18 U.S.C. § 921 *et seq.* Missouri laws also reflect this purpose. *See* RSMo. § 571.070 (prohibiting certain persons from possessing firearms); *id.* § 571.060 (prohibiting the unlawful transfer of a firearm).

22. Congress designed federal law to achieve this aim by channeling firearms commerce through licensees. Regulating the distribution of firearms is intended to prevent trafficking and reduce access to firearms by persons prohibited from possessing them. Gun dealers and manufacturers are trained on how to spot traffickers and straw purchasers through multiple publications and programs sponsored by the Bureau of Alcohol, Tobacco, Firearms, and

Explosives (“the ATF”) and the gun industry, including the “Don’t Lie for the Other Guy” program, newsletters, reference guides, regulatory updates, and ATF seminars.

23. Prior to transferring a firearm to any person who is not a licensed dealer, a licensed dealer or manufacturer must conduct a background check, examine the individual’s identification, and record the transaction on a firearms transaction record (“ATF Form 4473”). *See* 18 U.S.C. § 922(t)(1), 27 C.F.R. §§ 478.102, 478.124(a).

24. Before completing a purchase of a firearm from a licensee, a buyer must fill out ATF Form 4473, which asks the following question with the following bolded warning:

**Are you the actual transferee/buyer of the firearm(s) listed on this form?
Warning: You are not the actual transferee/buyer if you are acquiring the
firearm(s) on behalf of another person. If you are not the actual
transferee/buyer, the dealer cannot transfer the firearm(s) to you.**

This warning puts the buyer on notice: the buyer is prohibited from buying a firearm on someone else’s behalf while falsely claiming that it is for the buyer. A transaction in that manner is known as a “straw purchase,” and the transferee as a “straw purchaser.” On ATF Form 4473, the buyer must certify that their answers on the form are true, correct, and complete. The buyer violates federal law by filling out the form inaccurately.

25. A seller must not complete the sale if the seller knows or has reason to know that the form is inaccurate. Licensees certify on ATF Form 4473 that it is their “belief that it is not unlawful [] to sell, deliver, transport, or otherwise dispose of the firearm(s) listed on this form to the person identified in Section A.” Licensees must truthfully complete this portion of the form.

26. ATF Form 4473 makes clear that the seller must do more than simply run a background check. The notices and instructions on the form explain that “[t]he transferor/seller of a firearm must determine the lawfulness of the transaction and maintain proper records of the transaction.” The form also explains that a gun dealer “must stop the transaction if there is

reasonable cause to believe that the transferee/buyer is prohibited from receiving or possessing a firearm[.]” The form contains a clear admonition:

WARNING: Any person who transfers a firearm to any person he/she knows or has reasonable cause to believe is prohibited from receiving or possessing a firearm violates the law, even if the transferor/seller has complied with the Federal background check requirements.

27. The licensee must keep a record of all transactions with unlicensed persons in an acquisition and disposition book. 27 C.F.R. §§ 478.123(d), 478.125(e). A licensee violates federal law by knowingly making false statements or misrepresentations, failing to make appropriate entries in, or failing to properly maintain, acquisition and disposition records, firearms transaction records, or reports of multiple sales of handguns. 18 U.S.C. §§ 922(m), 924(a)(3); *see also* 18 U.S.C. § 924(a)(1)(A).

28. Federal law regards the purchase of more than one handgun in a short period as a potential indication that the purchaser could be involved in trafficking. Therefore, to monitor and deter handgun trafficking, federal law requires a licensee to report all transactions in which an unlicensed buyer purchases two or more handguns within 5 days. *See* 18 U.S.C. § 923(g)(3)(A); 27 C.F.R. § 478.126a.

29. Federal law also enlists dealers and manufacturers in working to detect illegal transactions and trafficking *after* a firearm is used unlawfully. When a law enforcement agency recovers a firearm at a crime scene or in the course of a criminal investigation, the agency may request a trace report from ATF’s National Tracing Center. The National Tracing Center tracks the path of the firearm from its manufacturer through the distribution chain to the last retail purchaser. Licensees must provide information from their records about crime guns that the licensee manufactured, distributed, or sold. *See* 18 U.S.C. § 923(g)(7); 27 C.F.R. § 478.25a.

30. Licensees are required to know the federal firearms laws and regulations. ATF agents review the applicable laws and regulations with licensees when they initially receive their license and during ATF audits. At the conclusion of an audit, the ATF requires licensees to certify acknowledgement of federal laws and regulations. The acknowledgement form includes certification that the licensee has reviewed laws and regulations regarding: (i) completing and maintaining firearm transaction records; (ii) conducting transfers between licensees; (iii) engaging in the business of firearms dealing; and (iv) straw purchasing. During or prior to the trafficking scheme, defendants Jimenez Arms, Conceal & Carry, CR Sales, and Mission Ready Gunworks completed this form.

The Gun Trafficking Scheme

31. James Samuels is the unlicensed gun trafficker at the center of the violations of law alleged in this petition, and the party whom the other defendants aided and abetted, conspired with, and otherwise assisted in his trafficking scheme.

32. From at least November 2013 until his arrest on October 4, 2018, Samuels bought dozens of firearms (frequently in bulk) and then re-sold them in short order. He acquired firearms a few ways: (i) by purchasing directly from defendant Jimenez Arms; (ii) by purchasing directly from local licensed gun dealers; or (iii) by purchasing firearms online from out-of-state gun dealers and arranging to have the firearms shipped to dealers in the Kansas City area.

33. Samuels' weapons of choice were firearms manufactured by Defendant Jimenez Arms. Jimenez Arms pistols are produced at low cost and are bought and sold for low prices relative to other handguns. As the owner of defendant CR Sales told a reporter, "[t]hese are not something you would collect. It's more something that somebody might want on the street, a throwaway-type gun."

34. A sizable portion of Jimenez Arms’ production is intended for users who do not value reliability, accuracy, or durability in a firearm. In the criminal case against Samuels, an ATF agent explained that Jimenez Arms pistols “are frequently used by criminals” because their inexpensiveness means that “a profit can be made by buying them at a low cost and selling them at a marked-up price to prohibited individuals.” According to ATF agents and other experts, these guns are not valued by collectors. Thus, if someone is purchasing multiple Jimenez Arms handguns, it is an indicator that they do not intend to keep them for themselves and instead intend to re-sell them. Upon information and belief, Jimenez Arms knows that its guns are frequently used by criminals and was aware of this fact during the events alleged in this petition.

35. Samuels typically disposed of the firearms he acquired by transferring the firearm to a straw purchaser, like defendant Boles, at a local gun dealer. From Boles, the gun would eventually be transferred to the end consumer in an unreported, illegal transaction.



36. To cover for these illegal transactions, Defendant Boles often reported the firearms acquired from Samuels as lost or stolen to the Kansas City Police Department. This way, if a firearm were recovered at a crime scene, Boles could explain to law enforcement that the firearm had been stolen and thereby evade responsibility.

37. Samuels used the local gun dealers to cover his tracks. In 2018, Samuels explained to an ATF informant the importance of using FFLs to transfer firearms to his co-conspirators so that, in the event a gun he had trafficked was recovered in a criminal investigation, Samuels would not be the last person on record as having owned it: the process of documenting his firearms

transfers to third parties was “paper to cover me.” By transferring firearms through a dealer, Samuels said, “at least you’ll have something that’s clean. Ain’t nothing on that [gun]. Guaranteed.” In one instance after leaving defendant Mission Ready Gunworks, where he had unlawfully engaged in a straw purchase, Samuels remarked, “see how easy that is?”

38. Samuels’ ruse was as thin as the paper it was printed on. But Jimenez Arms and the Gun Dealer Defendants unlawfully served Samuels, and in so doing, aided him in this scheme. The Gun Dealer Defendants who facilitated the transfer of firearms to Samuels and his straw purchasers exploited their status as licensed dealers to lend an air of legitimacy to unlawful gun transfers that helped the traffickers avoid detection.

(i) 2013 - 2015: The Jimenez Arms and Conceal & Carry Transactions

39. The first known transactions in the trafficking scheme occurred on or around November 13, 2013, when Samuels ordered a Jimenez Arms pistol from an out-of-state FFL to be shipped to defendant Conceal & Carry. At this time, Mike & Sue Enterprises Inc., the company licensed to deal firearms as Conceal & Carry, had been administratively dissolved by the State of Missouri. Samuels later transferred this gun to straw purchaser Iesha Boles and it was eventually recovered in the possession of a felon. After this transaction, Samuels began buying guns directly from Jimenez Arms to supply his trafficking ring.

40. According to a Jimenez Arms employee, Samuels called the company on November 22, 2013. According to the employee, Samuels explained that he had purchased Jimenez Arms pistols at a gun show but now wanted to buy directly from the manufacturer. Samuels said that he was a firefighter and that he worked part-time with a local gun dealer, Conceal & Carry. The employee told an ATF agent in 2018 that she called Conceal & Carry and was advised that Samuels could order guns and have them shipped to the store.

41. On November 22, 2013, Samuels placed an order with Jimenez Arms for six pistols and had them shipped to Conceal & Carry at 12004 East 47th Street, Kansas City, Missouri. Samuels paid \$706 for the pistols with his personal credit card. Samuels transferred at least two of these pistols to Defendant Boles at Conceal & Carry in the summer of 2014. Boles then reported both of the guns stolen. In April 2015, Chicago police recovered one of these pistols loaded with 13 rounds (along with stashes of cocaine and marijuana) while executing a search warrant. The five other pistols from this transaction may still be in public circulation.

42. The circumstances of Samuel's first order, and the orders to follow, made obvious to Jimenez Arms that Samuels' story was a pretext to acquire new pistols at wholesale prices and then to resell them at a profit. Tellingly, Jimenez Arms sold guns to Samuels directly – indicating that Jimenez Arms knew that Samuels would not be able to get the guns from a legitimate wholesaler, since he did not have a license. Samuels' use of a personal credit card further signaled that he was placing orders for an unlicensed gun dealing business.

43. On or about December 12, 2013, Samuels ordered another seven Jimenez Arms pistols directly from Jimenez Arms, along with four magazines for Jimenez pistols and two t-shirts, for a total of \$934. Samuels used his personal credit card for this transaction. The order was shipped to Conceal & Carry once again. Samuels transferred at least one of these pistols to Defendant Boles at Conceal & Carry on November 2, 2014. She reported it stolen to the Kansas City Police Department along with a second Jimenez Arms firearm on December 19, 2014. These six firearms may still be in public circulation.

44. On December 23, 2013, Samuels ordered three more pistols, for \$390, directly from Jimenez Arms to be shipped to Conceal & Carry. Samuels paid for these guns with his personal credit card. Samuels later transferred at least one of these guns at Conceal & Carry to a man who

later allegedly threatened to kill his girlfriend. That gun was recovered by police when they served the man with a domestic violence order of protection. The other two firearms may still be in public circulation.

45. In total, Samuels received at least 17 Jimenez Arms handguns at Conceal & Carry in the span of two months in 2013, a clear indicator that Samuels was trafficking. Samuels also transferred at least five of these guns through Conceal & Carry in 2014, three of which have been recovered by law enforcement. Conceal & Carry knew, or consciously avoided knowing, that Samuels was ordering and purchasing the firearms for resale. Yet Conceal & Carry willingly served as a glorified dropbox for Samuels' illegal conspiracy. In so doing, it violated 18 U.S.C §§ 2, 371, 922(a)(1), 922(a)(2), 922(b)(3), 922(m), 923(a), 924(a)(1), 924(a)(3), 27 C.F.R. §§ 478.102 and 478.124.

46. In March 2014, ATF agents conducted an inspection of Jimenez Arms' factory. According to ATF documentation of the March 2014 inspection, Paul Jimenez, the president of Jimenez Arms, said that he did not sell firearms to unlicensed buyers. Based on this representation and other information provided by Jimenez Arms, the ATF inspector concluded, "No trafficking issues were disclosed during this inspection relating to the acquisition and disposition of firearms." However, the ATF inspector noted that "the licensee does not have any written internal controls in maintaining accurate records of acquisitions and dispositions of firearms."

47. On December 31, 2014, Jimenez Arms sold eight pistols directly to Samuels for \$840, but this time the guns were shipped directly to Samuels' home. Samuels again used his personal credit card. For this order, Jimenez Arms was purportedly told that Conceal & Carry had changed its address to 2201 East 38th Street, Kansas City, Missouri. That address was for Samuels'

home, not Conceal & Carry's business premises. All eight of these pistols may still be in public circulation.

48. Jimenez Arms knew, or consciously avoided knowing, that it was shipping firearms directly to a non-licensee in violation of federal law. As a licensed firearms manufacturer, Jimenez Arms would have known that a licensee cannot change its address without amending its firearms license. *See* 27 C.F.R. §478.52(a). But Jimenez Arms took the order without obtaining an amended license. Jimenez Arms has also claimed to have received written authorization from Conceal & Carry to ship gun to Samuels' home. A gun dealer and manufacturer, of course, cannot legally agree to subvert federal record keeping laws.

49. ATF's "EZ Check" provides an easy way to check a dealer's licensed status and address. Jimenez Arms could have verified Conceal & Carry's address using this online tool. Jimenez Arms told the ATF during the 2014 inspection that it uses EZ Check before shipping firearms to any licensee. Upon information and belief, Jimenez Arms did not use EZ Check before shipping firearms for the December 31, 2014 order because it knew that the firearms were actually being sent to Samuels' home for his gun trafficking business.

50. Around the time of the December 31, 2014 order, Conceal & Carry was operating irresponsibly, to the extent it was operating at all. In fact, Conceal & Carry had closed the business premises and moved its business records and firearms inventory to Michael and Suzette Nelson's apartment. Conceal & Carry had also stopped keeping acquisition and disposition records and had been flagged by the ATF for numerous violations. By this point, the corporation that held the federal license had been administratively dissolved for almost two years.

51. On January 28, 2015, Jimenez Arms mailed three more pistols to Samuels' home. Samuels used a different credit card to pay the \$370 for this order than he used for earlier orders,

but, upon information and belief, this card was also Samuels' personal credit card. These three firearms may still be in public circulation.

52. According to Jimenez Arms, on April 28, 2015, Samuels called Jimenez Arms and stated that he "was now ordering for Blue Steel," another Kansas City area dealer licensed as Blue Steel Guns & Ammo.

53. On April 28, 2015, Samuels placed an order with Jimenez Arms for an additional five firearms, paying \$450 with the same credit card he had used when he previously ordered firearms to be shipped to his home. In 2018, an employee of Jimenez Arms told the ATF that she had contacted Blue Steel Guns & Ammo at the time and that an employee at the store stated that "Samuels already had buyers for the firearms." That is to say, the Jimenez Arms employee was informed that Samuels, an unlicensed individual, was purchasing firearms directly from Jimenez Arms expressly for the purpose of reselling them.

54. Although Jimenez Arms knew that Samuels was engaged in unlicensed dealing and although Samuels had already ordered 27 pistols directly from Jimenez Arms, the company shipped the five firearms to Blue Steel. When the order arrived on April 30, 2015, an employee at Blue Steel recognized the unlawfulness of the transaction and returned the firearms. The Blue Steel employee called Jimenez Arms and explained that Samuels was not authorized to make the purchase, a fact that Jimenez Arms either knew or consciously avoided knowing prior to shipment.

55. The Jimenez Arms employee told the ATF that she called Samuels on May 1, 2015 and questioned him on how he was "conducting business." According to the Jimenez Arms employee, Samuels apologized for the mix-up with Blue Steel and explained how he operated his business. He said that he would order guns, have them shipped to a dealer, and then would take

his own customers into the dealer and have those customers buy the firearms “legitimately.” Samuels was describing engaging in the business of dealing in firearms without a license.

56. In fact, from its very first transaction with Samuels in November 2013, and in subsequent transactions, Jimenez Arms knew, or consciously avoided knowing, that Samuels was purchasing the firearms for re-sale, something that only a licensee can do. Jimenez Arms either knew or was willfully ignorant that it was shipping handguns directly to an unlicensed firearms dealer. Jimenez Arms therefore participated in Samuels’ trafficking scheme, in violation of 18 U.S.C §§ 2, 4, 371, 922(a)(1), 922(a)(2), 922(b)(3), 922(m), 922(t)(1), 923(a), 924(a)(1), 924(a)(3), 27 C.F.R. §§ 478.29; 478.99(a), 478.102, 478.123(b), 478.123(d), and 478.124(a).

57. Upon information and belief, Jimenez Arms took no action to mitigate the situation that it had helped create: Jimenez Arms did not call federal or state law enforcement and advise them about Samuels’ trafficking scheme and did not contact any of its authorized dealers to warn them not to take orders from Samuels. Instead, Jimenez Arms refunded Samuels for the attempted purchase through Blue Steel, thus allowing and helping Samuels’ trafficking scheme to continue.

58. Jimenez Arms was aware that its dealings with Samuels were notable, and worth concealing. More than four years after the fact, a Jimenez Arms employee was able to recount for an ATF agent the details of her conversation with Samuels. Before the ATF investigation, however, Jimenez Arms failed to admit to its dealings with Samuels. When the ATF came to the Jimenez Arms factory in 2017 to conduct an inspection, Jimenez Arms concealed its role in Samuels’ trafficking scheme, declining to notify the ATF that it had shipped 32 firearms to an unlicensed buyer that it knew was engaged in unlicensed dealing of its highly-trafficked pistols. Instead of tipping off the ATF about Samuels, Jimenez Arms represented that it did not sell to non-licensees. That was a false statement to a federal law enforcement agency.

59. Jimenez Arms had a financial motive not to report Samuels' purchases to the ATF. It knew that Samuels had acquired Jimenez Arms guns through other sources before Jimenez Arms started shipping directly to Samuels. And it knew that even after it stopped selling to Samuels directly, it could continue to purchase Jimenez Arms guns through other sources for his trafficking scheme. By failing to report Samuels to law enforcement or taking any other action to put an end to the trafficking scheme, the foreseeable result was that the trafficking scheme would continue to traffic Jimenez Arms guns and that crimes would be committed with those guns.

60. In fact, Samuels did continue his trafficking scheme for another three years. After April 2015, he continued to buy Jimenez Arms guns through other sources—at least 19 of them. At least two of those 19 pistols were recovered after being used in crimes. Others may still be in public circulation.

61. Jimenez Arms played a crucial role in initiating and sustaining Samuels' trafficking scheme. It supported Samuels' trafficking scheme from the beginning, by selling firearms directly to him in illegal sales and then failing to notify law enforcement when it ceased directly dealing with him. By selling brand-new pistols at wholesale prices, Jimenez Arms helped Samuels acquire a local reputation as a gun trafficker. A federal informant, who Samuels knew to be a felon, purchased guns from Samuels and told the ATF that "Samuels was known to have many firearms new in the box at his residence." According to the informant, Samuels would sell a firearm to a felon as long as the felon could provide a non-felon straw purchaser to receive the firearm.

62. Apart from its direct dealings with Samuels, Jimenez Arms bolstered Samuels' trafficking scheme by producing a steady source of cheap, easily-trafficked pistols. Nearly three out of four firearms acquired by Samuels in furtherance of his trafficking scheme were Jimenez Arms pistols. Jimenez Arms knows—and has known for years—that a significant portion of its

pistols are diverted to an illegal secondary market where those pistols are possessed by minors, felons, and other prohibited possessors, and that many of its pistols end up at crime scenes. Jimenez Arms had notice of the illegal uses of its pistols through criminal investigations, trace requests, and federal studies. The predecessor company to Jimenez Arms, Bryco Arms, was listed by the ATF as having some of the most popular guns among criminals, particularly youthful offenders.

63. Jimenez Arms' illegal actions with respect to supplying Samuels' trafficking ring should come as no surprise, given that in the fifteen years it has been in business, Jimenez Arms has racked up a poor record of compliance with federal regulations. The ATF has repeatedly cited Jimenez Arms for violations of federal firearms regulations related to its business practices in recent years. As of November 2017, Jimenez Arms was operating under a warning letter from the ATF. A warning letter is issued by the ATF if an audit reveals serious violations of firearms regulations by a licensee. Warning letters remind licensees that compliance with federal firearms regulations is "essential" to protecting the public and "[e]nsur[ing] that criminals do not gain access to firearms." These letters provide notice to licensees that additional violations of federal firearms laws and regulations could result in the revocation of their licenses.

(ii) 2015 - 2016: The CR Sales Transactions

64. After he ceased ordering pistols directly from Jimenez Arms, Samuels began acquiring them elsewhere, with the assistance of Kansas City area dealers. He also used the local dealers to transfer those newly acquired firearms to straw purchasers.

65. Defendant CR Sales assisted both parts of Samuel's trafficking scheme, facilitating his purchases and his sales. Samuels bought and sold at least 14 firearms at CR Sales. In July 2019, the store's owner, Charles Rice, admitted that Samuels' activities indicated that Samuels was engaged in unlicensed dealing. He told a reporter about Samuels' transactions at the store, noting

that the type of firearms transferred raised suspicions: “I have people that are basically gun collectors and they might get a number of different models of the older Smith & Wessons or something like that. These [Jimenez pistols] are not something you would collect. It’s more something that somebody might want on the street, a throwaway-type gun.” Asked if this circumstance “raised red flags,” the store owner responded, “That raised red flags.”

66. From June 1, 2015, to November 2, 2016, Samuels had six firearms transferred to him through CR Sales. Two of those six firearms were then transferred to a third-party at CR Sales. The other four firearms were transferred to third parties at other local dealers.

- a. On June 28, 2015, Samuels purchased a Jimenez Arms pistol through GunBroker.com from a dealer located in Colorado Springs, Colorado and had it shipped to CR Sales for pick-up.
- b. On November 14, 2015, CR Sales transferred a Jimenez Arms pistol to Samuels that Samuels had ordered from another out-of-state dealer. A few months later—on February 1, 2016—Samuels transferred that same pistol to Boles at another local dealer.
- c. On November 27, 2015, Samuels purchased a Jimenez pistol through GunBroker.com from a dealer located in Orlando, Florida. The pistol was shipped to CR Sales, where Samuels picked it up and promptly resold it to a third party on December 4, 2015.
- d. On October 27, 2016, Samuels purchased three Jimenez Arms pistols through GunBroker.com from a dealer located in Warrenton, North Carolina and had them shipped to CR Sales. On May 1, 2017, Samuels transferred one of the pistols to

defendant Boles at defendant Mission Ready Gunworks. Boles reported it stolen shortly thereafter.

67. During the same time period, Samuels also used CR Sales to transfer firearms that he had purchased elsewhere to third-party purchasers. The exact dates of those transfers, and the make, model, origin, and prices of the firearms involved, are unknown to the City.

68. CR Sales knew that Samuels was engaged in unlicensed dealing. When an ATF agent inquired about Samuels in January 2018, a CR Sales employee remarked that he thought the ATF would be in asking about Samuels at some point. The employee recalled Samuels buying and transferring many Jimenez Arms pistols. The employee recalled how Samuels would bring people into the shop and have them undergo a background check so that he could transfer the guns to third parties. The employee related that he warned Samuels about acting as a firearms dealer without a license and that, by doing so, Samuels was playing with fire and was going to get burned. However, upon information and belief, no one at CR Sales contacted law enforcement in 2016 or 2017, when doing so could have stopped this illegal trafficking scheme and prevented the flow of these illegal guns into Kansas City. Through its participation in Samuels' trafficking scheme, CR Sales violated 18 U.S.C §§ 2, 371, 922(a)(1), 922(m), 923(a), 924(a)(1), and 924(a)(3).

69. CR Sales' willingness to look the other way as Samuels conducted his illegal gun trafficking business is not surprising, given that the store has a history of violating federal laws and regulations. From 2013-2017, the ATF found numerous violations in each of its four inspections, including failing to report multiple sales of firearms, transferring firearms to individuals who indicated that they were prohibited from possessing a firearm, and transferring a firearm to someone who indicated that they were not the actual purchaser of the firearm.

(iii) 2017: The Mission Ready Gunworks transactions

70. Mission Ready Gunworks is another dealer in the Kansas City area that did business with Samuels even though it knew or consciously avoided knowing that Samuels was engaged in unlicensed dealing. When first contacted by an ATF agent on February 14, 2018, a representative of Mission Ready Gunworks said that he remembered Samuels and knew he was a firefighter. The representative said that Samuels had come into the shop “a lot last year” to deal in cheap handguns.

71. The representative was familiar with how Samuels conducted his trafficking scheme. The representative told an ATF agent that Samuels would have firearms shipped to Mission Ready Gunworks from other dealers and would then ask Mission Ready Gunworks to transfer the firearms either to Samuels or to a third party that Samuels brought in. Samuels did so much business with Mission Ready Gunworks that the dealer should have had no doubt that Samuels was engaged in unlicensed dealing. Samuels called the person he knew at Mission Ready Gunworks “Ol’ Boy.” From January 2017 to November 2017, Samuels had 16 firearms shipped to Mission Ready Gunworks and transferred to himself. Of those 16 firearms, Samuels transferred at least three firearms to a third-party at Mission Ready Gunworks. Samuels also transferred three firearms purchased elsewhere to third parties at Mission Ready Gunworks.

- e. On January 2, 2017, Samuels purchased a rifle through GunBroker.com from an out-of-state dealer. The firearm was shipped to Mission Ready Gunworks.
- f. On April 7, 2017, Samuels purchased three Jimenez pistols for \$99 each through GunBroker.com from a firearms dealer located in Auxvasse, Missouri. The firearms were shipped to Mission Ready Gunworks where Samuels picked them up. These three pistols may still be in public circulation.

- g. On April 13, 2017, Samuels purchased two Jimenez pistols through GunBroker.com from a firearms dealer located in Tarpon Springs, Florida. These two pistols were received by Mission Ready Gunworks on an unknown date and transferred to Samuels. The pistols may still be in public circulation.
- h. On May 1, 2017, Samuels transferred a Jimenez pistol to Boles at Mission Ready Gunworks. Samuels had purchased the pistol months earlier, as described in paragraph 66, with the assistance of CR Sales.
- i. On May 19, 2017, Samuels purchased five firearms, including three Jimenez pistols, from Fisher Firearms, an out-of-state dealer, through GunBroker.com, for a total price of \$825. Samuels' had these five firearms shipped to Mission Ready Gunworks.
- j. On June 6, 2017, Samuels purchased another five firearms, including two Jimenez pistols, from Fisher Firearms through GunBroker.com, for a total price of \$891. This purchase was also shipped to Mission Ready Gunworks, where Samuels picked them up. All of these firearms may still be in public circulation.

72. This buying and selling pattern could only mean one thing: Samuels was a gun trafficker. He needed stores like Mission Ready Gunworks to aid his scheme, and Mission Ready Gunworks obliged. Through its participation in Samuels' trafficking scheme, Mission Ready Gunworks violated 18 U.S.C §§ 2, 371, 922(a)(1), 922(m), 923(a), 924(a)(1), and 924(a)(3).

73. In 2018, Mission Ready Gunworks was contacted by the ATF about Samuels' suspicious selling and purchasing. Only at that point did the store begin reporting its transactions with Samuels to the ATF. After that point, the ATF monitored several controlled buys through Mission Ready Gunworks. In March 2018, ATF cited Mission Ready Gunworks for several

violations, including transferring firearms to individuals who indicated that they were not the actual purchasers of the firearms.

Gun violence in Kansas City, Missouri

74. Jimenez Arms and the Gun Dealer Defendants exacerbated the gun violence crisis in Kansas City, Missouri by participating in the trafficking scheme.

75. Over the past several years, Kansas City has experienced one of the highest homicide-per-capita rates in the United States. According to Kansas City Police Department statistics, there were 82 homicides in Kansas City, Mo., in 2014; 111 homicides in 2015; 131 homicides in 2016; 151 homicides in 2017; 135 homicides in 2018; and 148 homicides in 2019.

76. According to the latest available statistics, which cover murders from June 2018 to May 2019, Kansas City had a rate of 29.66 murders per 100,000 people; this is a higher murder rate than cities such as Chicago and Washington, D.C. Firearm homicides have come to occupy a large proportion of homicides in Kansas City. In 2018 and 2019, a firearm was involved in 96 and 95 percent of homicides, respectively, and handguns were the firearm most frequently used.

77. Jimenez Arms' business practices contributed to, and continue to contribute to, gun violence in the Kansas City area. As noted above, Jimenez Arms firearms turn up at Kansas City-area crime scenes at a disproportionate rate. In addition to state crimes, federal prosecutors in the Western District of Missouri have brought cases against individuals who have used Jimenez Arms guns to carry out carjackings, high speed car chases, drug distribution schemes, and bank robberies (among numerous other crimes).

78. The State of Missouri has one of the highest gun death rates in the nation. According to the CDC, data from 2013 to 2017 show that Missouri's age-adjusted gun-death rate per 100,000

residents was 17.5, eighth highest of any state in the nation and significantly higher than the overall U.S. average of 11.07.

79. The problem of gun violence disproportionately affects communities of color in Missouri. According to a recent study by the Violence Policy Center, in 2016 Missouri ranked first as the state with the highest black homicide victimization rate. Its rate of 46.21 per 100,000 was more than double the national average for black homicide victimization and more than nine times the overall national homicide rate. For those homicides in which the weapon used could be identified, 94 percent of victims were shot and killed with guns.

The costs of gun violence to the City

80. The City incurs costs from gun violence in a number of ways, including through expenditures for police, emergency responders, medical services, corrections, prosecutions, and victim services and intervention programs.

81. The City, through its annual budget, funds the Kansas City Police Department. The Kansas City Police Department expends resources responding to gun violence crime scenes within the city, cleaning up crime scenes involving gun violence incidents, and investigating gun violence incidents. The City also funds the Fire Department, which provides emergency medical services at crime scenes. The City contributes substantial funds to the budget of the Truman Medical Center, which expends resources treating victims of gun violence.

82. In addition, the City provides funding for crime victims services, and other social services and benefits. For example, through the health levy and grant dollars, the City funds Aim4Peace, a City program that works to reduce shootings by identifying the needs of survivors of violence and referring those survivors to services, responding to gunshot trauma situations, working with gun violence survivors during their hospital stays, intervening to deescalate conflicts

that may lead to gun violence, reaching out to community members at risk of being involved in future violence, teaching community conflict resolution skills to avoid gun violence, and managing the recovery of gun violence survivors.

83. The City continues to incur costs as firearms manufactured, sold, or transferred by the Defendants are used in gun violence incidents or recovered by law enforcement. Because the City diverts resources to address gun violence, less public funding is available to provide public services to residents.

84. The City also bears the cost of ongoing gun violence because it accrues less revenue from sales and property taxes as a result of diminished retail business and property values in areas that suffer high rates of gun violence.

COUNT I – PUBLIC NUISANCE
(Against all Defendants)

85. The City incorporates all other paragraphs of this petition as if stated under this count.

86. Each of the Defendants in this action knowingly violated, conspired to violate, and aided and abetted the violation of numerous federal laws and regulations, including, but not limited to, 18 U.S.C §§ 2, 4, 371, 922(a)(1), 922(a)(2), 922(b)(3), 922(m), 922(t)(1), 923(a), 924(a)(1), 924(a)(3), 27 C.F.R. §§ 478.29; 478.99(a), 478.102, 478.123(b), 478.123(d), and 478.124(a).

87. Jimenez Arms and the Gun Dealer Defendants facilitated the trafficking scheme by illegally selling guns to Samuels and facilitating the sales of firearms by Samuels to Boles and other straw purchasers. Jimenez Arms and the Gun Dealer Defendants knew, or consciously avoided knowing, that Samuels was engaged in unlicensed dealing in firearms.

88. Jimenez Arms knows that the cheap, disposable pistols it manufactures are attractive to traffickers. Jimenez Arms failed to properly verify the identity of a purchaser, making

false statements in required records, failing to make appropriate entries in required records, and concealing these actions from federal law enforcement. As of its last known ATF audit in 2017, Jimenez Arms continues to violate federal regulations concerning the disposition of firearms.

89. Suzette Nelson continued to operate her firearms business after her company, Mike & Sue Enterprises, Inc., had been administratively dissolved. Suzette Nelson stopped keeping required records for Conceal & Carry, their gun dealership, even as she allowed Samuels to use the cover of their business to facilitate his trafficking scheme. By conspiring with and aiding and abetting Samuels' trafficking scheme, Suzette Nelson failed to exercise reasonable care in the distribution of firearms.

90. CR Sales Firearms and Mission Ready Gunworks transacted firearms business with Samuels even through both dealers knew, or consciously avoided knowing, that Samuels was engaged in unlicensed dealing.

91. James Samuels purchased guns and sold them, at a mark-up, to people he knew would transfer the guns to people who were prohibited, under state and federal law, from possessing firearms.

92. Iesha Boles falsely represented herself in federal forms as the actual purchaser of firearms and transferred guns to people who were prohibited, under state and federal law, from possessing firearms. She also falsely reported firearms lost or stolen to the Kansas City police department.

93. All the Defendants engaged in conduct that unjustifiably endangers, renders insecure, interferes with, and obstructs the rights of the residents of Kansas City. The Defendants created, promoted, supported, and supplied an illegal secondary market for firearms, particularly cheap pistols. This secondary market contributes to the gun violence crisis in Kansas City by

providing a ready supply of deadly weapons to individuals who are particularly likely to use those firearms to commit acts of violence or to handle those firearms irresponsibly, by allowing access to those firearms to individuals who would use them to commit acts of violence.

94. The Defendants' conduct has created a public nuisance in Kansas City by unreasonably interfering with the right of the general public to life, health, and the use and enjoyment of property. The unlawful proliferation of handguns interferes with rights common to the general public, deprives the City and its residents and visitors of the peaceful use of public streets, sidewalks, parks, and other public places, interferes with commerce, travel, and the quality of daily life, and endangers the health, welfare, peace, safety, well-being, convenience, and property of considerable numbers of residents of, and visitors to, Kansas City.

95. The City has suffered harm and incurred substantial costs from the Defendants' nuisance. It is entitled to damages incurred as a result of the nuisance, as well as injunctive relief to abate the nuisance.

COUNT II – NEGLIGENT ENTRUSTMENT
(Against all Defendants)

96. The City incorporates all other paragraphs of this petition as if stated under this count.

97. Jimenez Arms sold firearms and magazines directly to Samuels at wholesale prices in interstate commerce.

98. The Gun Dealer Defendants transferred firearms to Samuels, which had been shipped in interstate commerce, at retail and wholesale prices.

99. Jimenez Arms and the Gun Dealer Defendants knew or reasonably should have known that Samuels was engaged in unlicensed dealing in firearms. Samuels brought individuals to the Gun Dealer Defendants to receive firearms shipped to the Gun Dealer Defendants at

Samuels' request. The Gun Dealer Defendants knew or reasonably should have known that these individuals were Samuels' co-conspirators in Samuels' trafficking scheme.

100. Jimenez Arms and the Gun Dealer Defendants knew or reasonably should have known that Samuels' unlicensed dealing created an unreasonable risk of harm to third parties, including the residents of Kansas City and the City itself because gun violence is a foreseeable and likely consequence of unlicensed dealing of firearms.

101. Jimenez Arms and the Gun Dealer Defendants acted with complete indifference or with reckless disregard for the rights of others in transferring firearms to Samuels or his co-conspirators. These transfers were made under circumstances indicating a known risk that the firearms would be possessed by persons prohibited from possessing firearms and used in gun violence incidents.

102. Jimenez Arms and the Gun Dealer Defendants had possession and control of firearms that Jimenez Arms and the Gun Dealer Defendants transferred or caused to be transferred to Samuels or Samuels' co-conspirators.

103. Jimenez Arms and the Gun Dealer Defendants knew or should have known that their employees and agents who transferred firearms or caused firearms to be transferred to Samuels or Samuels' co-conspirators were obliged to use their judgment to refuse to transfer firearms to a transferee whom the employees and agents knew or should have known was involved in unlicensed dealing in firearms.

104. Samuels had possession and control of the firearms he purchased from firearms dealers in Missouri and out-of-state. Samuels knowingly transferred firearms to straw purchasers, including Iesha Boles. Samuels knew or should have known that transferring these firearms to

Iesha Boles and other purchasers posed a risk that those firearms would be possessed by persons prohibited from possessing firearms and used in gun violence incidents.

105. Boles had possession and control of firearms transferred to her by Samuels. Boles knowingly transferred firearms to other persons. Boles knew or should have known that transferring these firearms to other person posed a risk that those firearms would be possessed by persons prohibited from possessing firearms and used in gun violence incidents.

106. Firearms negligently entrusted by Jimenez Arms and the Gun Dealer Defendants to Samuels, and firearms negligently entrusted by Samuels to Iesha Boles, as well as firearms negligently entrusted by Boles to other persons, have been, and will likely continue to be, found at crime scenes and recovered by Kansas City law enforcement agencies.

107. By transferring firearms to Samuels or his co-conspirators, Jimenez Arms and the Gun Dealer Defendants proximately caused harm to the City. By transferring firearms to his co-conspirators, Samuels proximately caused harm to the City. By transferring firearms to individuals who were not permitted to possess them, Boles proximately caused harm to the City.

108. The City is entitled to recover damages in an amount to be determined at trial.

COUNT III – NEGLIGENCE
(Against all Defendants)

109. The City incorporates all other paragraphs of this petition as if stated under this count.

110. Jimenez Arms, the Gun Dealer Defendants, James Samuels and Iesha Boles breached their duties of care to Kansas City and its residents by creating, supplying, and supporting an illegal market for cheap pistols to be diverted to criminals and other persons prohibited from purchasing or possessing firearms.

111. As a foreseeable result of the Defendants' breaches of their duties of care, those cheap pistols have been used in criminal activity, causing damages to the City.

112. Jimenez Arms, the Gun Dealer Defendants, James Samuels and Iesha Boles created and supplied this illegal market in cheap pistols by failing to exercise reasonable care in selling, distributing, and marketing cheap pistols. Jimenez Arms and the Gun Dealer Defendants failed to prevent straw purchases and straw transfers, allowed the diversion of cheap pistols to transferees like Samuels and Boles, who Jimenez Arms and the Gun Dealer Defendants knew, or consciously avoided knowing, would supply those pistols to persons prohibited from possessing firearms and to persons who were likely to use those pistols for illegal purposes.

113. Jimenez Arms and the Gun Dealer Defendants' negligent marketing and distribution practices included conduct that violated laws and regulations. Jimenez Arms and the Gun Dealer Defendants knowingly violated, conspired to violate, and aided and abetted the violation of numerous federal laws and regulations, including, but not limited to, 18 U.S.C §§ 2, 4, 371, 922(a)(1), 922(a)(2), 922(b)(3), 922(m), 922(t)(1), 923(a), 924(a)(1), 924(a)(3), 27 C.F.R. §§ 478.29; 478.99(a), 478.102, 478.123(b), 478.123(d), and 478.124(a). Their violations of these laws proximately caused the harm that is complained of herein.

114. Jimenez Arms and the Gun Dealer Defendants are vicariously liable for the actions or inactions of their respective agents or employees committed while in the scope of their agency or employment.

115. Jimenez Arms and the Gun Dealer Defendants are liable for the foreseeable actions taken by their co-conspirators, including James Samuels and Iesha Boles.

116. The City is entitled to recover damages in an amount to be determined at trial.

COUNT IV – NEGLIGENCE PER SE
(Against all Defendants)

117. The City incorporates all other paragraphs of this petition as if stated under this count.

118. Jimenez Arms, the Gun Dealer Defendants, James Samuels, and Iesha Boles violated, conspired to violate, and aided and abetted the violation of laws and regulations, including, but, not limited to, 18 U.S.C §§ 2, 4, 371, 922(a)(1), 922(a)(2), 922(b)(3), 922(m), 922(t)(1), 923(a), 924(a)(1), 924(a)(3), 27 C.F.R. §§ 478.29; 478.99(a), 478.102, 478.123(b), 478.123(d), and 478.124(a).

119. The above laws and regulations are intended to curb firearm crime, prevent access to firearms by persons prohibited from possessing them, and protect public safety. These laws and regulations were designed to prevent illegal dealing in firearms by directing firearms commerce through businesses licensed by the federal government. These laws and regulations impose obligations on licensed dealers and manufacturers to further the laws' and regulations purposes.

120. The City and its residents are within the class of persons meant to be protected by these laws and regulations. And the injury to the City is of the nature that these laws and regulations were designed to prevent.

121. The violations of law and regulations by Jimenez Arms, the Gun Dealer Defendants, James Samuels, and Iesha Boles directly and proximately caused damage to the City.

122. The City is entitled to recover damages in an amount to be determined at trial.

COUNT V – CIVIL CONSPIRACY
(Against all Defendants)

123. The City incorporates all other paragraphs of this petition as if stated under this count.

124. From about November 2013 through September 2018, Jimenez Arms and the Gun Dealer Defendants, in order to accomplish an unlawful objective, conspired, collaborated, or participated in a gun trafficking scheme in combination with Samuels, Boles, and other persons known or unknown.

125. Samuels, in order to accomplish an unlawful objective, also conspired, collaborated, or participated in combination with Boles and other persons known or unknown.

126. Jimenez Arms, the Gun Dealer Defendants, Samuels, Boles, and others known or unknown agreed to further the same unlawful objective: facilitation of unlicensed and unlawful dealing in firearms.

127. Upon information and belief, Jimenez Arms, the Gun Dealer Defendants, and Boles had an agreement with Samuels to participate in the scheme.

128. Jimenez Arms, the Gun Dealer Defendants, Samuels and Boles each committed at least one act in furtherance of the conspiracy.

129. As a result of the conspiracy, the City has been damaged in an amount to be determined at trial.

130. Jimenez Arms, the Gun Dealer Defendants, Samuels, and Boles are jointly and severally liable for any obligations and liabilities of their co-conspirators.

REQUESTED RELIEF

WHEREFORE, the City respectfully requests that this Court enter judgment in its favor and that the Court:

- a) Award judgment against the Defendants for a reasonable sum of money in excess of Twenty-Five Thousand Dollars (\$25,000) that will fairly compensate the City for its damages;

- b) Award prejudgment interest in accordance with RSMo. 408.040;
- c) Award exemplary damages;
- d) Award the City's costs and reasonable attorney's fees incurred in this action;
- e) Award injunctive relief against Jimenez Arms and the Gun Dealer Defendants requiring those defendants to abate the nuisance they have created, as alleged in Count I above, by:

- 1) Ordering Jimenez Arms to take corrective action to identify and recover the remaining Jimenez Arms pistols that were sold to or through defendant Samuels;
- 2) Ordering the Gun Dealer Defendants to take corrective action to identify and recover the remaining firearms sold to or through defendant Samuels;
- 3) Ordering Jimenez Arms and the Gun Dealer Defendants to comply with state and federal firearms law;
- 4) Ordering Jimenez Arms and the Gun Dealer Defendants to submit to supervision by a court-appointed special master(s) for a period of five years, the responsibilities of whom shall include, *inter alia*, monitoring of Jimenez Arms' and the Gun Dealer Defendants' sales practices through observation, records monitoring, and random and repeated integrity-testing, and implementing corrective policies and procedures, with the costs of the special master(s) to be borne by Jimenez Arms and the Gun Dealer Defendants;
- 5) Ordering Jimenez Arms and the Gun Dealer Defendants to require mandatory training of all personnel by a court-approved training entity, with the costs of that training to be borne by Jimenez Arms and the Gun Dealer Defendants;

- 6) Ordering Jimenez Arms and the Gun Dealer Defendants to post bonds in amounts to be determined by the Court, which must be forfeited in the event of future violations by Jimenez Arms or the Gun Dealer Defendants; and
- f) Grant such other relief as the Court may deem just and proper.

PLEASE TAKE NOTICE THAT PLAINTIFF DEMANDS A TRIAL BY JURY.

Dated: January 7, 2020

Respectfully Submitted,

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**Pro hac vice applications forthcoming*

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