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**ATTORNEY GENERAL RAOUL PARTNERS WITH EVERYTOWN FOR GUN SAFETY AND KANSAS CITY
TO FILE LAWSUIT AGAINST ATF**

Lawsuit Filed Over Firearms License ATF Granted to Manufacturer Tied to Gun Trafficking

Chicago — Attorney General Kwame Raoul today announced that his office, along with Everytown for Gun Safety Support Fund and Kansas City, Mo., has filed a lawsuit seeking to force federal regulators to revoke a firearms license granted to the successor company of now-bankrupt Jimenez Arms, Inc. Raoul alleges Jimenez Arms repeatedly broke federal firearms law, contributing to gun trafficking, carjackings and criminal activity in Illinois and Kansas City, and its owner misled the U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) in licensing applications.

The complaint alleges that the ATF conducted a deficient investigation before granting the new license, offering a particularly dangerous example of what prior reporting has shown to be lax oversight by the agency. Notably, data from 2017 to 2019 shows that the ATF denied less than 0.1 percent of applications received. The lawsuit also alleges that guns trafficked by Jimenez Arms have been used to carry out carjackings, high-speed car chases, drug distribution schemes, bank robberies and other crimes.

“When trafficked guns from other states are putting Illinois residents at risk, our fight against gun violence can’t end at the state border,” said Raoul. “Illinois residents expect government officials to do all we can to protect their communities from gun violence, carjackings, drugs and other crimes, and fighting gun trafficking is a critical component. My office has worked with Everytown to develop a comprehensive approach to combatting illegal gun trafficking that includes, but is not limited to, affirmative litigation. After flouting federal law and contributing to criminal activity in Chicago and other cities, Jimenez Arms should have been held accountable by the ATF – not allowed to keep operating under a new name.”

“This is a story of appalling regulatory failure,” said Alla Lefkowitz, director of Affirmative Litigation at Everytown Law. “With so many red flags about this company in the ATF’s own records, it should never have even been a close call whether to allow it to continue selling guns under a new name. ATF’s inexcusable decision raises serious questions, and it should be revoked before more guns manufactured by Paul Jimenez are trafficked into American cities.”

“Gun violence is a public health crisis in Kansas City and so many communities across our country — getting illegal guns off the streets will save lives,” said Kansas City Mayor Quinton Lucas. “It is inexcusable that the regulators we rely on to enforce federal gun laws have failed to take action despite clear evidence that Jimenez Arms contributed to gun trafficking, which led to lives taken too soon in our community. This effort is about accountability — and about protecting Kansas Citians. The Everytown gun lawsuit will address the most significant threat to public safety in our community: gun violence. As we continue our work to save the lives of Kansas Citians — fathers, mothers, sons, daughters, grandparents, and sadly, children — efforts to identify and prosecute those who illegally obtain or provide guns to those should not have them, as defined by law, will remain a priority and part of the solution.”

Filed in the U.S. District Court for the Southern District of New York, the lawsuit seeks a court order compelling the ATF to revoke a license granted last year to J.A. Industries – which is run by Paul Jimenez, the owner of Jimenez Arms – that allows it to manufacture and sell firearms. The federal firearms license (FFL) in question was granted just three months after Jimenez Arms declared bankruptcy amid lawsuits

alleging it repeatedly broke federal law and sold at least 32 guns to a man who has since been charged with gun trafficking.

Among the allegations in today's lawsuit:

- The president of JA Industries, Paul Jimenez, has been manufacturing in some form for more than a decade, including as Jimenez Arms. Every year for more than a decade, Jimenez's firearms manufacturing operation has churned out tens of thousands of low-quality, disposable handguns that are particularly attractive to traffickers. These pistols are deadly weapons that are priced to be disposable, routinely retailing for less than \$150.
- Firearms originating from the operation in Nevada – which has at times been among the 15 largest pistol manufacturers in the country – have been used at and retrieved from crime scenes in American cities like Chicago and Kansas City at a rate disproportionate to their market share.
 - Even though these kinds of pistols cannot be legally sold in Illinois, law enforcement has recovered them all over the state—from Skokie to Decatur to East St. Louis.
 - Between 2014 and 2018, Chicago police recovered 378 Jimenez Arms pistols.
- Jimenez Arms did business for years with Kansas City firearms trafficker James Samuels, who has since pleaded guilty to violating a host of federal gun laws. Among other violations of the firearms laws, Jimenez Arms shipped guns directly to Samuels' home, even though he knew or consciously avoided knowing that he was facilitating Samuels in skirting federal gun laws and regulations.
- During two routine inspections in 2012 and 2017, the ATF cited Jimenez Arms with serious recordkeeping violations that were consistent with Jimenez's involvement in trafficking.
- In January 2020, in an apparent effort to avoid accountability for its illegal actions and dispute its debts, Jimenez Arms declared bankruptcy amid multiple lawsuits. Paul Jimenez now calls the operation "JA Industries," but the company continues to sell the same guns as before.
- Due to false statements to the ATF and the unlawful shipment of guns to a gun trafficker, Jimenez was disqualified from holding an FFL. But rather than putting an end to Jimenez's illicit and dangerous career in the firearms industry, the ATF rubber-stamped JA Industries LLC's request for an FFL.