

Enclosure

CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. R9-CAA-18-1006

Respondent: Hisun Motors Corporation USA  
310 East University Drive  
McKinney, Texas 75069

1. The parties enter into this Clean Air Act Mobile Source Expedited Settlement Agreement (Agreement) in order to settle the civil violations discovered as a result of the inspection specified in Table 1, attached, incorporated into this Agreement by reference. The civil violations that are the subject of this Agreement are described in Table 2, attached, incorporated into the Agreement by reference, regarding the vehicles/engines specified therein.
2. Respondent admits to being subject to the Clean Air Act (CAA) and its associated regulations and that the United States Environmental Protection Agency (EPA) has jurisdiction over the Respondent and the Respondent's conduct described in Table 2. Respondent does not contest the findings detailed therein, and waives any objections Respondent may have to the EPA's jurisdiction.
3. Respondent consents to the payment of a penalty in the amount of **\$22,000** further described in Table 3, attached, incorporated into this Agreement by reference. Respondent agrees to follow the instructions in "CAA Mobile Source Expedited Settlement Agreement Instructions," attached, incorporated into this Agreement by reference. Respondent certifies that the required remediation, detailed in Table 3, has been carried out.
4. By its first signature below, the EPA approves the findings resulting from the inspection and alleged violations set forth in Table 1 and Table 2. Upon signing and returning this Agreement to the EPA, Respondent consents to the terms of this Agreement without further notice. Respondent acknowledges that this Agreement is binding on the parties signing below, and becomes effective on the date of the EPA Region 9 Assistant Director, Enforcement Division's ratifying signature.

APPROVED BY EPA:

[Redacted Signature]

Date: 3/26/18

Joel Jones, Assistant Director, Enforcement Division, EPA Region 9

APPROVED BY RESPONDENT:

Name (print): Chris Hunter

Title (print): CEO

Signature: [Redacted Signature]

Date: 5/10/2018

RATIFIED BY EPA:

[Redacted Signature]

Date: 5-21-18

Joel Jones, Assistant Director, Enforcement Division, EPA Region 9

**Table 1 - Inspection Information**

<b>Entry/Inspection Date(s):</b>		<b>Docket Number:</b>	
June 6, 2017/June 7, 2017		C A A - 1 8 - 1 0 0 6	
<b>Inspection Location:</b>		<b>Entry/Inspection Number(s)</b>	
Price Transfer		9 A R - 0 2 7 7 7 5 6 - 3	
<b>Address:</b>		<b>Inspector(s) Name(s):</b>	
2711 E. Dominguez		Jennifer MacArthur & Andrew Zellinger	
<b>City:</b>		<b>EPA Approving Official:</b>	
Long Beach		Joel Jones	
<b>State:</b>	<b>Zip Code:</b>	<b>EPA Enforcement Contact:</b>	
CA	90810	John Brock (Region 9), 415-972-3999	
<b>Respondent:</b>			
Chris Hunter			

**Table 2 - Description of Violation and Equipment**

Hisun Motors Corporation USA imported 738 off-road motorcycles described below (the Subject Vehicles) on or about June 6, 2017. The design of the catalysts on the Subject Vehicles is materially different from the catalyst design specified in the COC application for engine family HHNSX.196A21. Specifically, the loading of precious metals in the tested sample differs significantly from the certified design. Hisun Motors Corporation USA has imported the Subject Engines in violation of CAA Sections 203(a)(1) and 213(d), 42 U.S.C. §§ 7522(a)(1) and 7547(d), and the regulations codified at 40 C.F.R. §1068.101(a)(1) and (b)(5).

Equipment Description	Claimed Engine Manufacturer	Model Year	Claimed Engine Family	Quantity
Off-road motorcycles	Chongqing Huansong Science & Technology Industrial Company LTD	2017	HHSNX.196A21	738

**Table 3 - Penalty and Required Remediation**

Penalty	\$22,000
Required Remediation	Hisun Motors Corporation USA must export the above mentioned 738 off-road motorcycles to a country other than Canada and provide the EPA with a report documenting such exportation.

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