

Enclosure

CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. R9-CAA-18-1005

Respondent: ModBargains.com, Inc.
1701 E Lambert Rd,
La Habra, CA 90631

1. The parties enter into this Clean Air Act Mobile Source Expedited Settlement Agreement (the "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 EPA's jurisdiction.
3. Respondent consents to the payment of a penalty in the amount of \$7,000, 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, EPA approves the findings resulting from the inspection and the alleged violations set forth in Tables 1 and 2. Upon signing and returning this Agreement to EPA, Respondent consents to the terms of this Agreement without further notice. Respondent acknowledges this Agreement is binding on the parties signing below, and becomes effective on the date of the EPA Region 9 Enforcement Division Assistant Director's ratifying signature.

APPROVED BY EPA

[Redacted Signature]

Joel Jones, Assistant Director, Enforcement Division
EPA Region 9

Date: Jan. 18, 2018

APPROVED BY RESPONDENT:

Name (print): Ron Hay

Title (print): CEO + President

Signature: [Redacted Signature]

Date: January 31, 2018

RATIFIED BY EPA

[Redacted Signature]

Joel Jones, Assistant Director, Enforcement Division
EPA Region 9

Date: Feb. 8, 2018

Table 1 - Inspection Information

Inspection Date:		Docket Number:	
August 18, 2016		R 9 - C A A - 1 8 - 1 0 0 5	
Inspection Location:		Entry/Inspection Number(s)	
1721 E. Lambert Rd.		2 0 1 6 0 8 1 8 0 9 1 5 0 1	
Inspector(s) Name(s):		EPA Approving Official:	
La Habra		Joel Jones	
Andrew Zellinger		Elfego Felix	
Kingsley Adeduro		Matt Salazar	
State: Zip Code:		EPA Enforcement Contact(s):	
CA 90631		David Kim, Attorney-Adviser, (415) 972-3882	
Respondent:		Andrew Zellinger, Enforcement Officer (415) 972-3903	
ModBargains.com, Inc.			

Table 2 - Description of Violations and Vehicles/Engines

On August 18, 2016, authorized EPA inspectors obtained evidence that ModBargains had sold products which render inoperative emission control systems on EPA-certified motor vehicles and motor vehicle engines. It is a violation of section 203(a)(3) of the CAA, 42 U.S.C. § 7522(a)(3), to manufacture, sell or install any device that intentionally circumvents EPA emission standards ("Defeat Device") by bypassing, defeating, or rendering inoperative a required element of the vehicle's emissions control system. As set forth below in tabular format, EPA has determined that ModBargains sold sixteen (16) Defeat Devices (i.e., aftermarket exhaust components for gasoline-powered motor vehicles that required removal of catalytic converters in the original equipment) between October 21, 2015 and August 18, 2016 in violation of section 203(a)(3) of the CAA.

Table 2 (cont): Clean Air Act Section 203 Violations - ModBargains Sales of Subject Exhaust Systems								
Count	Invoice Date	Invoice #	Manufacturer /Distributor	Part #	Description	Make	Model	Year
1	10/21/2015	1445423572	Berk Technology	BT1407	Test Pipes for 2007-14 Infiniti G37 / Q50 / 2008-14 Nissan 370Z	Infiniti	Q50	2010
2	10/22/2015	1445526957	Turn 14 Distribution	60503	Borla Racing Pipes / Mid-Pipes for 2007-12 BMW E90 / E92	BMW	335XI	2009
3	11/19/2015	1447949666	Fabspeed	FS.BM W.E9X XPWO	2007+ BMW E9X M3 Secondary Catbypass XPipe WITHOUT Resonators	BMW	M3	2012
4	12/1/2015	1448985175	Remus	089014 0500 + 089014 0000 + 0026 70CS	REMUS Sport Exhaust System for 2014+ BMW M3 M4 [F80/F82], 102mm Tip Option:Quad 102mm Angled Carbon Tips W/Titanium Inserts (0026 70CS x2) Specify Model:F80 M3 Muffler Section (089014 0500) Catback - Deletes Secondary Cats & Front Silencer:Catback Race X-Pipe & Tubes (089014 0000)	BMW	M3	2016
5	1/15/2016	1452850773	BMP Design/ Supersprint NA	980212	Supersprint Connecting Pipes (De-Cat) for 2007-10 BMW 335i/xi MANUAL TRANS ONLY [E90/E92/E93] (980212)	BMW	335xi	2010
6	3/9/2016	1457538854	Turn 14 Distribution	60503	Borla Racing Pipes / Mid-Pipes for 2007-12 BMW E90 / E92	BMW	335xi	2008
7	3/14/2016	1457946260	GT Haus	NI0103 004	Nissan R35 Skyline GT-R Optional SR Straight Pipe Mid-Section (SUS)	Nissan	GTR	2012
8	3/14/2016	1457946260	GT Haus	NI0103 006	Turbo-Back (outlet) Down Pipe (A Pair) (SUS)	Nissan	GTR	2012
9	3/24/2016	1458813740	Remus	089014 0500 + 089014 0000	REMUS Sport Exhaust System for 2014+ BMW M3 M4 [F80/F82], F80 M3 Muffler Section (089014 0500), Catback - Deletes Secondary Cats & Front Silencer:Catback Race X-Pipe & Tubes (089014 0000)	BMW	M3	2016
10	3/30/2016	1459335354	Griffin Motorwerke	SSXAU 285	Miltek Cat Replacement Pipes for 2007 Audi RS4 (Cat Replacement Pipes Must be fitted with the Miltek Sport cat-back system)	Audi	RS4	2007
11	4/18/2016	1460996558	Evolution Racewerks	AU-EXH00 2P	Test Pipes for 2005-08 Audi A4 2.0T	Audi	A4	2005
12	5/5/2016	1462459490	Fabspeed	FS.BM W.E9X XPWR	2007+ BMW E9X M3 Secondary Catbypass XPipe WITH Resonators	BMW	M3	2011
13	5/23/2016	1464006149	Berk Technology	BT1401	Test Pipes for 2003-08 Nissan 350Z	Nissan	350Z	2004
14	6/17/2016	1466161996	Fabspeed	FS.BM W.E9X XPWR	2007+ BMW E9X M3 Secondary Catbypass XPipe WITH Resonators.	BMW	M3	2012
15	7/18/2016	1468840695	Turn 14 Distribution	60090	Borla Mid-Pipe / X-Pipe for E46 M3	BMW	M3	2003
16	8/1/2016	1470040425	Berk Technology	BT1407	Test Pipes for 2007-14 Infiniti G37 / Q50 / 2008-14 Nissan 370Z	Infiniti	G37	2010

Table 3 - Penalty and Required Remediation

Penalty	\$7,000
Required Remediation	In addition to paying the monetary penalty, ModBargains must cease and refrain from purchasing, selling, and/or installing any device that defeats, bypasses, or otherwise renders inoperative an emission component of any engine regulated by the EPA. Also, ModBargains must cease and refrain from tampering with emission control systems on EPA-certified motor vehicles and motor vehicle engines.