Enclosure CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. CAA-16-8281

Respondent: Vitacci Motorcycles, Inc. 9900 Westpark Drive, Suite 132 Houston, TX 77063

- 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(s) 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 \$18,000, 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 Air Enforcement Division Director's ratifying signature.

Phillip A. Broo	ks, Director, Air Enforcement Division
APPROVED B	Y RESPONDENT:
Name (print):	Firas Abunabal
Title (print):	General Manager
Signature:	-

Date: 7/15/2016 Date: July 20, 2016

Phillip A. Brooks, Director, Air Enforcement Division

Date: June 21, 2016

Respondent:	Table 1 – Inspection Information Docket Number:
Vitacci Motorcycles, Inc.	CAA-16-8281
EPA Approving Official:	EPA Enforcement Contact:
Phillip A. Brooks	Andrew Zellinger (Region 9), (415) 972-3093

Entry Number	Entry Date	Inspection Date	Inspection Location	Inspector(s) name(s)
			Price Transfer	
			2751 E. Dominguez St.	
D52-8925337-4	11/19/2015	12/15/2015	Long Beach, CA 90810	Andrew Chew, Elfego Felix, Andrew Zellinger
			Price Transfer	
			2751 E. Dominguez St.	
D52-8925439-8	12/3/2015	12/15/2015	Long Beach, CA 90810	Andrew Chew, Elfego Felix, Andrew Zellinger
			Price Transfer	
			2751 E. Dominguez St.	
D52-8925440-6	12/3/2015	12/16/2015	Long Beach, CA 90810	Andrew Chew, Elfego Felix, Andrew Zellinger
			Price Transfer	
			2751 E. Dominguez St.	
D52-8925441-4	12/3/2015	12/17/2015	Long Beach, CA 90810	Andrew Chew, Elfego Felix, Andrew Zellinger
			Port of Houston – CBP	Officer Luis A. Davilla-Toro (CBP)
D52-8925815-9	2/7/2016	2/18/2016	warehouse	Special Agent Richard Moschilli (EPA)

Table 2 - Description of Violation(s) and Vehicles/Engines

The 457 all-terrain vehicles (Subject Vehicles) described below and imported by Vitacci Motorcycles, Inc. between November 2015 and February 2016 were found to be in violation of Section 203(a)(l) of the Clean Air Act (CAA), 42 U.S.C. § 7522(a)(1), and the regulations codified at 40 C.F.R. §§ 1068.10l(a)(l), and 1068.10l(b)(5), which collectively prohibit the importation of spark-ignition engines or equipment containing these engines, unless they are covered by a valid EPA certificate of conformity (COC) or are properly exempted or excluded. During the inspections outlined above, the EPA inspectors took a sample muffler/exhaust assembly from each of the five entries of Subject vehicles for engine family FBLX.150JLP, and sent them to an EPA laboratory for analysis. Physical and chemical examination of the muffler assembly of the sampled exhaust systems revealed that the design of the catalyst contained therein is materially different from the catalyst design specified in the COC application for engine family FBLX.150JLP. Specifically, the ratio of precious metals in the tested samples differed significantly from the certified design. Since the Subject Vehicles are subject to the prohibitions of § 1068.101, but are not covered by a valid COC or exemption, Vitacci Motorcycles, Inc. committed 457 violations of the CAA and corresponding regulations cited above.

Entry Number	Quantity	Claimed Engine Manufacturer	Claimed Engine Family	Violation
D52-8925439-8	97	Zhejiang Guoyu Industry & Trading Co., Ltd.	FBFLX.124FHT	Non-conforming Catalyst
D52-8925337-4	63	Zhejiang Guoyu Industry & Trading Co., Ltd.	FBFLX.150JLP	Non-conforming Catalyst
D52-8925440-6	100	Zhejiang Guoyu Industry & Trading Co., Ltd.	FBFLX.124FHT	Non-conforming Catalyst
D52-8925441-4	97	Zhejiang Guoyu Industry & Trading Co., Ltd.	FBFLX.124FHT	Non-conforming Catalyst
D52-8925815-9	100	Zhejiang Guoyu Industry & Trading Co., Ltd.	FBFLX.124FHT	Non-conforming Catalyst

Table 3 - Penalty and Required Remediation		
Penalty	\$18,000	
Required	Vitacci Motorcycles, Inc. must export the 457 uncertified Subject Vehicles to a country other than	
Remediation	Canada or Mexico, and provide the EPA with a report documenting such exportation.	