

Enclosure

CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. CAA-09-7796

Respondent: Jianxin Gu, President
Kinroad LP d.b.a. Kinroad USA
1135 W. Trinity Mills Rd., Ste. 100
Carrollton, TX 75006

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 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 the penalty in the amount specified in Table 3, attached, incorporated into the 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 ratifies the findings resulting from the inspection and alleged violations set forth in Table 1 and Table 2. Upon signing and returning this Expedited Settlement Agreement to EPA, Respondent consents to EPA's approval of the Expedited Settlement without further notice. Respondent acknowledges that this Expedited Settlement Agreement is binding on the parties signing below, and becomes effective upon the EPA Air Enforcement Division Director's signature.

APPROVED BY EPA:

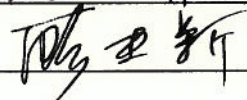

for Pamela J. Mazakas, Acting Director, Air Enforcement Division

Date: 9/8/09

APPROVED BY RESPONDENT:

Name (print): JIANXIN GU

Title (print): PRESIDENT

Signature: 

RATIFIED BY EPA:


Pamela J. Mazakas, Acting Director, Air Enforcement Division

Date: 10/16/09

Table 1 - Inspection Information

Entry/Inspection Date(s)		Docket Number:	
August 5, 2009		C A A - 0 9 - 7 7 9 6	
Inspection Location		Entry/Inspection Number(s)	
St. George CES		A T G 1 0 5 6 6 6 7	
Address			
3701 E. Randall Mill Suite 100			
City:		Inspector(s) Name(s):	
Arlington		Officer Patrick Kirkman	
State:		EPA Approving Official:	
TX	Zip Code:	Pamela J. Mazakas	
	76011	EPA Enforcement Contact:	
Respondent(s):		Christopher Thompson	
Jianxin Gu			

Table 2 - Description of Violation and Vehicles/Engines

Kinroad imported 79 ATVs that are not covered by a certificate of conformity (COC) because their carburetors have adjustable air/fuel mixture screws that do not conform to the design specifications in the application for certification. The company is therefore liable for 79 violations of 40 C.F.R. § 1068.101(a)(1) for importing recreational vehicles that are not covered by a certificate of conformity (COC).

Equipment Description	Engine Family	Manufacturer	Model Year	Quantit
110cc Runmaster II ATV	AKXMX0110KG2	Kinroad Xintian Motorcycle Manufacture Co. Ltd.	2010	52
Phoenix XT150GK-7 ATV	AKXMX0150KG1		2010	27

Table 3 - Penalty and Required Remediation

Penalty	\$9,300
Required Remediation	Kinroad must export (outside of the United States, Canada, and Mexico) or destroy the 79 above-mentioned ATVs and provide EPA with a report and documentation proving that such exportation or destruction has occurred.