

**U.S. ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C.**

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<b>In the Matter of:</b> )	<b>ADMINISTRATIVE SETTLEMENT</b>
)	<b>AGREEMENT</b>
<b>Robinson's Trading Co.</b> )	
<b>Sutherlin, Oregon</b> )	<b>AED/MSEB - 7181</b>
<b>Respondent.</b> )	

**THIS SETTLEMENT AGREEMENT** is made and entered into by and between the United States Environmental Protection Agency (EPA) and Robinson's Trading Co., 417 Myrtle Street, Sutherlin, Oregon 97479 (hereafter, Respondent).

**Purpose:**

The purpose of the Settlement Agreement (Agreement) is to resolve Respondent's alleged violations of Section 203(a) of the Clean Air Act (Act), 42 U.S.C. § 7522(a), and the Importation of Motor Vehicles and Motor Vehicle Engines Regulations, 40 C.F.R. Part 85, Subpart P, regarding the importation of uncertified motor vehicles (the Import Regulations).

**Applicable Statutory and Regulatory Provisions**

1. Section 203(a)(1) of the Act, 42 U.S.C. § 7522(a)(1) prohibits the importation into the United States of any motor vehicle manufactured after the effective date of the regulations unless the motor vehicle is covered by an EPA-issued certificate of conformity (COC).
2. Section 216(2) of the CAA, 42 U.S.C. § 7550(2), defines the term "motor vehicle" as any self-propelled vehicle designed for transporting persons or property on a street or highway.
3. Under Section 205(a) of the Act, 42 U.S.C. § 7524(a), persons who violate Section 203(a)(1) of the Act are subject to a penalty of up to \$32,500 for each violation.

**Regulatory Authority**

4. 40 C.F.R. § 85.1501 applies to motor vehicles which are offered for importation or imported into the United States and for which the Administrator has promulgated regulations under part 86 prescribing emission standards.
5. 40 C.F.R. § 85.1703, creates a set of narrow exclusions from the statutory definition of motor vehicle. As a general summary, if a vehicle fits the statutory definition of motor vehicle, it is considered a motor vehicle, unless it is shown that its operation on the

highway is unsafe, impractical or unlikely either because the vehicle lacks features making its highway use safe or practical, or because it exhibits features rendering its highway use unlikely.

6. EPA promulgated emission regulations for model year 1977 and later model year new motor vehicles including emission standards and requirements to obtain certificates of conformity in 40 C.F.R. Part 86, Subparts A- C.
7. 40 C.F.R. § 85.1513 prohibits the importation of a motor vehicle that is not covered by a certificate of conformity unless the importation meets the requirements of 40 C.F.R. Part 85, Subpart P.

**Definitions:**

8. A COC means the document issued by EPA to a manufacturer under 40 C.F.R. Part 86 after EPA has determined that the manufacturer's application is complete and that the engine family meets the requirements of the applicable regulations and the Act. Issuance of the COC permits production of motor vehicles built in accordance with the manufacturer's application provided that the production is within the Model Year for which the COC is issued.
9. For purposes of this Agreement the term "export" means to transport to a location outside of the United States and its territories, Canada, and Mexico.
10. For purposes of this Agreement the term "destroy" means the complete destruction of the mini van engine and the complete disassembly of the mini van. The engine shall be crushed or broken in such a manner that the engine or its parts can never be used to power anything, and the mini van shall be disassembled and broken down in such a manner that it can never be reassembled.

**Background:**

11. As described in the Table below, Respondent imported six motor vehicles into the United States (Subject Vehicles). Respondent used EPA Declaration Form 3520-1 (Form) to import the Subject Vehicles, and marked "code x" on the Form. By marking code x, Respondent declared that he was importing an excluded offroad vehicle. Code x, in relevant part, states that the vehicle is excluded in accordance with 40 C.F.R. 85.1703; the importer must attach proof that the vehicle lacks safety or other features required for safe and practical street operation, including evidence of inordinate size or weight preventing highway use; the vehicle may not be registered for, or licensed for, or capable of use, or operated on the public roads or highways; and, multi-purpose vehicles capable of being operated on the public roads or highways may not be imported using this code, regardless of intended use.

Table

Manufacturer	Model	Model Year	VIN
Mitsubishi	U41V	1997	U41V-0425684
Mitsubishi	U41V	Not Stated	U41V-0313724
Mitsubishi	U41V	Not Stated	U41V-0313266
Mitsubishi	U41V	Not Stated	U41V-0314850
Honda	V-HH3	1998	HH3-2356714
Honda	V-HH3	1999	HH3-2377280

12. Respondent did not provide any proof that the Subject Vehicles were eligible for exclusion under 40 C.F.R. 85.1703 or lacked safety or other features required for safe and practical street operation.
13. During September 2006, the U.S. Customs seized the six Subject Vehicles at the port in Portland, Oregon.

**Alleged Violations:**

14. Since the Subject Vehicles were not covered by a COC, Respondent imported the Subject Vehicles into the United States in violation of Section 203(a) of the CAA, and the Import Regulations, 40 C.F.R. Part 85.

**Terms of Agreement:**

15. Respondent has agreed to pay a civil penalty of \$3,400 under this Agreement. Accordingly, under this Agreement, within thirty days from the date of this Agreement Respondent shall pay \$3,400 to the United States of America. Late payment of the civil penalty is subject to interest and fees as specified in 31 U.S.C. § 3717, and stipulated penalties as specified in Paragraph 16 of this Agreement. Respondent agrees to pay the amount by certified check or cashier's check payable to the United States of America, and to mail the payments to:

U.S. Environmental Protection Agency  
 Washington Accounting Operations  
 P.O. Box 360277M  
 Pittsburgh, Pennsylvania 15251  
 Attn: AED/MSEB - 7181

A copy of the check shall be sent to Jocelyn Adair at the address specified in

Paragraph 17 below.

16. Within thirty days of this Agreement, or such longer period of time if required by Customs, Respondent shall export or destroy the Subject Vehicles. This exportation or destruction shall be carried out under the supervision of Customs. Respondent shall certify to EPA and provide supporting documents that the Subject Vehicles were either exported or destroyed.
17. All correspondence to EPA concerning this Agreement shall be sent to:

Jocelyn Adair, Esq.  
U.S. Environmental Protection Agency  
1200 Pennsylvania Avenue, N.W. (2242A)  
Washington, DC 20460

**Stipulated Penalties:**

18. Time is of the essence to this Agreement. Upon the failure to comply or timely perform pursuant to Paragraphs 15 through 17 of this Agreement, Respondent agrees to the following stipulated penalties:
  - (a) For the failure to timely pay the civil penalty, or provide proof of such payment, pursuant to Paragraph 15 of this Agreement, Respondent shall pay a stipulated penalty of \$250 per day. However, if after sixty days of the due date, Respondent has failed to pay the civil penalty, Respondent shall be in default of this Agreement. Upon such default, Respondent shall pay a stipulated penalty of \$32,500.
  - (b) For the failure to export or destroy each of the Subject Vehicles, or provide proof of such action, pursuant to Paragraph 16 of this Agreement, Respondent shall pay a stipulated penalty of \$5,000 for each vehicle that he fails to export or destroy.
19. All stipulated penalties shall be paid in the manner specified in Paragraph 15 of this Agreement. In addition, a copy of the transmittal letter(s) and check(s) shall be sent to Jocelyn Adair at the address specified in Paragraph 17 of this Agreement.
20. Respondent further agrees that upon default or failure of Respondent to comply with the terms of this Agreement, EPA may refer this matter to the United States Attorney General for collection pursuant to Section 205(d) of the Act, 42 U.S.C. § 7524(d), commence an action to enforce this Agreement or to recover the civil penalty pursuant to Section 205 of the Act; or pursue any other remedies available to it. Respondent expressly waives its right to assert that such engines are certified or exempt from the certification

requirements, or that such action is barred by 28 U.S.C. § 2462, other statutes of limitation, or other provisions limiting actions as a result of passage of time.

- 21. This Agreement becomes effective upon the date executed by EPA, at which time a copy will be returned to Respondent.
- 22. Respondent hereby represents that the individual or individuals executing this Agreement on behalf of Respondent is authorized to do so and that such execution is intended and is sufficient to bind Respondent.
- 23. Respondent waive its rights, if any, to a hearing, trial or any other proceeding on any issue of fact or law relating to the matters consented to herein.
- 24. The terms of this Agreement are contractual and not a mere recital. If any provision or provisions of this Agreement are held to be invalid, illegal or unenforceable, the remaining provisions shall not in any way be affected or impaired thereby.
- 25. The validity, enforceability, and construction of all matters pertaining to this Agreement shall be determined in accordance with applicable federal law.
- 26. The effect of settlement described in Paragraph 27 of this Agreement is conditional upon the truthfulness, accuracy and completeness of Respondent's disclosures and representations to EPA.
- 27. Upon completion of the terms of this Agreement, this civil matter shall be deemed terminated and resolved. Nothing herein shall limit the right of EPA to proceed against Respondent in the event of default or noncompliance with this Agreement; for violations of § 203 of the Clean Air Act, 42 U.S.C. § 7522, which are not the subject matter of this Agreement; or for other violations of law; or with respect to other matters not within the scope of the Agreement. This Agreement in no way affects, or relieves Respondent of responsibility to comply with other state, federal or local law or regulations.

The following agree to the terms of this Agreement:

**Robinson's Trading Co.**

By: Adam Haley  
 (Signature)  
 Print Name: Adam Haley  
 Print Title: Owner

Date: 1-24-07

**Administrative Settlement Agreement *In the Matter of:* Robinson's Trading Co.;**  
***AED-MSEB #:* 7181**

U.S. Environmental Protection Agency

By:  \_\_\_\_\_  
Adam Kushner  
Director  
Air Enforcement Division

Date: 2.8.07