

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

In the Matter of:

Tiger Truck, LLC

Respondent

ADMINISTRATIVE
SETTLEMENT AGREEMENT
AED/MSEB - 7252

This Administrative Settlement Agreement is made and entered into by and between the United States Environmental Protection Agency (EPA) and Tiger Truck, LLC, 9030 Premier Row, Dallas, Texas 75427 (Respondent).

Purpose

1. The purpose of this Administrative Settlement Agreement (Agreement) is to resolve seventy-six alleged violations of Sections 203(a) and 213(d) of the Clean Air Act (CAA), 42 U.S.C. §§ 7522(a) and 7547(d), and the implementing small spark-ignition (SI) nonroad engine regulations, 40 C.F.R. Part 90 or 40 C.F.R. Part 1048 as applicable (SI Nonroad Regulations).

Statutory Authority

2. Sections 203(a) and 213(d) of the CAA, 42 U.S.C. §§ 7522(a) and 7547(d), prohibit any person from importing any new nonroad vehicle or engine unless such vehicle or engine is covered by a certificate of conformity issued and in effect (EPA-COC), and bears the required EPA emissions information label.

Regulatory Authority - SI Nonroad Regulations

3. 40 C.F.R. § 90.1003(a)(1)(ii) prohibits any person from importing into the United States any nonroad SI engine manufactured after the effective dates of the regulations, unless such engine is covered by an EPA-COC.
4. 40 C.F.R. § 90.1003(a)(4)(ii) prohibits the sale, offer for sale, introduction, or delivery into commerce by an engine manufacturer of a nonroad SI engine manufactured after the effective dates of the regulations, unless a label or tag is affixed to the engine in accordance with 40 C.F.R. § 90.114.

5. 40 C.F.R. § 90.3 defines an engine manufacturer as any person who, among other things, imports nonroad SI engines for resale, or who acts for and is under the control of any such person in connection with the distribution of such engines.
6. 40 C.F.R. § 90.114 requires the original engine manufacturer to affix, at the time of manufacture of a certified nonroad SI engine, a permanent and legible label identifying each nonroad engine and containing certain information (EPA-label).

Definitions

7. For the purposes of this Agreement, the following definitions apply:
 - a. *Applicable regulation and dates:* 40 C.F.R. Part 90 is applicable to nonroad SI engines at or below 19 kilowatts (kW) built after the applicable dates in 40 C.F.R. Part 90. 40 C.F.R. Part 90 is also applicable to engines that have a total engine displacement at or below 1,000 cubic centimeters, a maximum power at or below 30 kilowatts (kW), and the engine is in an engine family that has a valid certificate of conformity showing that it meets emission standards for Class II engines under 40 C.F.R. Part 90 for the appropriate model year. 40 C.F.R. Part 1048 applies to engines that have a total engine displacement at or below 1,000 cubic centimeters, and a maximum power above 30 kilowatts (kW).
 - b. *Certified engine:* A nonroad engine built after the applicable dates of the regulations and that is covered by a Certificate of Conformity.
 - c. *Certificate of Conformity:* The document issued by EPA to a manufacturer under 40 C.F.R. § 90.106, as applicable, after EPA determines that the manufacturer's application is complete and that the engine family meets the requirements of 40 C.F.R. Part 90 and the CAA.
 - d. *Uncertified engine:* A nonroad engine built after the applicable dates of the regulations but that is not covered by a Certificate of Conformity issued by EPA.

- e. *Observer*: A U.S. Customs and Border Protection (“U.S. Customs”) representative or an independent board-certified licensed professional engineer.
- f. *Export*: To transport to a location outside of the United States and its territories, Canada, and Mexico.
- g. *Destroy*: The complete destruction of the engine. The engine shall be crushed or broken in such a manner that the engine or its parts can never be used to power anything.
- h. *This matter*: Respondent’s importation, or manufacture and sale of the nonroad engines as described in Paragraphs 8 and 9 of this Agreement (Subject Engines), the corrective action, and civil penalty that may apply to such alleged violations.

Alleged Violations

- 8. On or about July 17, 2007, Respondent imported into the Port of Dallas, Texas sixty-four mini vehicles that contained nonroad SI engines that were certified to operate on gasoline (Gasoline Subject Engines). The Gasoline Subject Engines are described in Appendix A to this Agreement. The Subject Engines did not bear the EPA-labels required by 40 C.F.R. § 90.114. This constitutes sixty-four violations of 40 C.F.R. § 90.1003(a)(4)(ii).
- 9. During 2006 and 2007, Respondent manufactured and sold twelve nonroad vehicles containing nonroad SI engines designed to operate on a mixture of 85% ethanol and 15% gasoline, otherwise known as E85 fuel (E85 Subject Engines). The E85 Subject Engines, contained in these vehicles, described in Appendix B to this Agreement, were not certified to operate on E85 fuel, only unleaded gasoline. Consequently, the Subject Engines were not covered by an EPA-COC. This constitutes twelve violations of 40 C.F.R. § 90.1003(a)(1).
- 10. Based on the forgoing, EPA alleges that Respondent committed seventy-six violations of Sections 203(a) and 213(d) of the CAA, 42 U.S.C. §§ 7522(a) and 7547(d) and the small SI Nonroad Regulations, 40 C.F.R. § 90.1003(a).

11. In addition, Respondent has been unable to provide test data substantiating its claim that the Gasoline Subject Engines and the E85 Subject Engines produce a maximum power at or below 30 kW.
12. By entering into this Agreement, Respondent does not admit that it has committed any violations of the CAA or its implementing regulations, including any of the violations alleged in Paragraph 10 of this Agreement.

Corrective Action

13. For the Gasoline Subject Engines identified in Appendix A to this Agreement, Respondent, the Certificate Holder for the Gasoline Subject Engines, shall:
 - a. Affix a complying EPA-label to each of the Gasoline Subject Engines. The label shall be affixed in such manner that it cannot be removed without destroying or defacing the label.
 - b. Provide to EPA, in advance of executing the Agreement, a sample label and technical description of the method and procedures that Respondent shall use to affix the label to the Gasoline Subject Engines. A copy of the sample label and instructions for applying the label shall be attached by the Respondent as Appendix C to this Agreement.
 - c. Establish and fully document a chain of custody for the labels from the time of production until the time of installation on the Gasoline Subject Engines, and destruction of any unused labels.
 - d. Perform this corrective action under the direction of the Observer. The corrective action shall be completed no later than thirty (30) days from the effective date of this Agreement, or such longer period of time if requested by Respondents and approved by EPA for good cause shown.
 - e. Make available to the Observer all sixty-four Gasoline Subject Engines after the label has been affixed to such engines, and have the Observer randomly select one of each

model Subject Engines (“the Test Sample Engine (s)”) to determine whether or not the label is affixed in such a manner that it cannot be removed without destroying or defacing the label. Any Test Sample Engine whose label is destroyed or defaced during this test must be relabeled by Respondent.

14. Where the label on the Test Sample Engine contains all the specified information, is affixed in such a manner that it cannot be removed without destroying or defacing the label, the Test Subject Engine and the related model Gasoline Subject Engines may be deemed to comply with 40 C.F.R. § 90.114 and may be released by U.S. Customs. However, where the label on the Test Sample Engine can be removed without destroying or defacing the label, the Test Sample Engine and the related model Gasoline Subject Engines shall be either exported or destroyed.
15. No later than thirty (30) days from the effective date of this Agreement (or such longer period of time if requested by Respondent and approved by EPA for good cause shown), Respondent shall provide EPA with a written report that fully describes the corrective action taken in accordance with Paragraphs 13 and 14, and certifies that such corrective action was conducted as described. The report must include the following:
 - a. An affidavit from the Respondent. The affidavit shall certify the date, time, and place of the corrective action work, identify each person doing the work, identify the vehicle identification number of each vehicle that contained a Gasoline Subject Engine that was labeled, provide a clear readable picture of the label affixed to each Test Sample Engine(s), and provide the results of any tests performed to determine whether or not the label could not be removed without destroying or defacing the label; and
 - b. An unconditional statement from the Respondent certifying that the Gasoline Subject Engines comply with the applicable requirements of the CAA and 40 C.F.R. Part 90.

16. No later than twelve (12) months from the effective date of this Agreement, Respondent shall provide test data to EPA demonstrating the maximum horsepower (Hp) of the engine used to support its E85 Subject Engine certification and Gasoline Subject Engine certification. Respondent shall utilize the test procedures described in 40 C.F.R. Part 1048 to the extent applicable. Where Respondent can show through test data that its E85 engine has maximum power less than or equal to 30 kW, it may forgo testing of the gasoline engine.

Civil Penalty

17. Respondent has agreed to pay a civil penalty of \$30,000 to the United States of America no later than forty-five days from the effective date of this Agreement. Late payment of the civil penalty is subject to interest and fees as specified in 31 U.S.C. § 3717, plus the stipulated penalties as specified in Paragraph 24 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 payment(s) to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000
Attn: AED/MSEB - 7252

Alternatively, Respondents may pay online at www.pay.gov. From the "Search Public Form" field, enter "SFO 1.1," click "EPA Miscellaneous Payments - Cincinnati Finance Center", and complete the "SFO Form Number 1.1."

Notice

18. A copy of the payment(s) shall be faxed to the EPA attorney assigned to this case no later than twenty-four (24) hours after payment(s). All correspondence concerning this Agreement shall be sent to:

(Regular Mail)

Jocelyn Adair, Esq.
U.S. Environmental Protection Agency
Mail Code 2242A
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460
Attn: AED/MSEB- 7252

(Courier Service)

Jocelyn Adair, Esq.
U.S. EPA
Ariel Rios South, Room 1109A
1200 Pennsylvania Avenue, N.W.
Washington, DC 20004

General Provisions

19. The effective date of this Agreement is the date that EPA executes the Agreement and provides a copy of the executed Agreement to Respondent.
20. Respondent hereby represents that the individual executing this Agreement on behalf of Respondent is authorized to do so on behalf of Respondent and that such execution is intended and is sufficient to bind Respondent, Respondent's agents, assigns, or successors.
21. Notwithstanding any other provisions of this Agreement, upon Respondent's default or failure to comply with any terms of this Agreement, EPA may refer this matter to the United States Department of Justice to recover civil penalties pursuant to Section 205 of the Act, 42 U.S.C. § 7524, and pursue any other remedies available to it. Respondent specifically agrees that in the event of such default or failure to comply, EPA may proceed in an action based on the original claim of violation of the Act and 40 C.F.R. Part 90. Respondent expressly waives Respondent's right to assert that such action is barred by any applicable statutes of limitation, *see e.g.* 28 U.S.C. § 2462.
22. This settlement is contingent upon the truthfulness, accuracy and completeness of Respondent's disclosure and representation to EPA, and the prompt and complete remediation of any violations in accordance with this agreement.

Stipulated Penalties

23. For failure to comply with the terms of this Agreement on a timely basis Respondent shall pay stipulated penalties to the United States as follows:
 - a. For failure to label the Gasoline Subject Engines or provide proof thereof, pursuant to Paragraphs 13 and 15, \$250.00 per day;

- b. For failure to conduct the testing required in Paragraph 16 in a timely manner, \$500 per day;
 - c. For failure of either the E85 or gasoline engine to have a maximum power at or below 30 kW where tested pursuant to Paragraph 16, \$130,000 for either the E85 or gasoline engine or \$260,000 for both; and
 - d. For failure to timely pay the civil penalty or provide proof thereof, pursuant to Paragraphs 17 and 18, \$250.00 per day.
24. If EPA determines within twelve (12) months from the effective date of this Agreement that the engine family for the E85 Subject Engines does not meet applicable requirements, Respondent agrees to pay a stipulated penalty of \$20,000. EPA shall make its determination pursuant to 40 C.F.R. 90.122(e)(3) (after providing Respondent with a reasonable opportunity to generate and submit requested additional data or information pursuant to 40 C.F.R. § 90.122(e)(2)).
25. All stipulated penalties under Paragraphs 23 and 24 of this Agreement shall begin to accrue on the day after performance is due, and shall continue to accrue until the day compliance is achieved. Nothing herein shall prevent simultaneous accrual of separate stipulated penalties for separate violations of this Agreement. All stipulated penalties shall be paid in the manner specified in Paragraph 17 of this Agreement. In addition, a copy of the transmittal letter(s) and payment(s) shall be sent to the EPA attorney assigned to this case at the address specified in Paragraph 18. All stipulated penalties shall be paid to the United States of America within five (5) days of written demand by EPA (the due date). Late payment of the penalty is subject to interest and fees as specified in 31 U.S.C. § 3717. Stipulated penalties shall not be construed as prohibiting, altering, or in any way limiting the ability of EPA from seeking any other remedy or sanction available by virtue of Respondent's violation of this Agreement or of the statutes or regulations upon which the Agreement is based.

Enforcement

26. Upon completion of the terms of this Agreement, the alleged violations described in this Agreement 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; 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, and does not address Respondent's potential liability to U.S. Customs for the Subject Engines.

The following agree to the terms of this Agreement:

Tiger Truck , LLC

By: Michael S. Ward

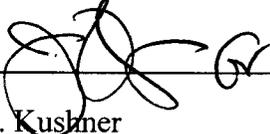
Date: 10/8/2007

Print Name: Michael S. Ward

Print Title: President

**Administrative Settlement Agreement - *In the Matter of Tiger Truck, LLC;*
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U.S. Environmental Protection Agency

By:  _____ Date: Oct 16, 2007

Adam M. Kushner
Director
Air Enforcement Division

Appendix A

For Administrative Settlement Agreement - *In the Matter of Tiger Truck, LLC;*
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NO.	MODEL NO.	VIN #	ENGINE NO.
LOW-SPEED MINI TRUCK FOR OFF ROAD USE			
1	SC1022DL FA	LSCBB13D07G048256	JL465Q5*756T94717*
2	SC1022DL FA	LSCBB13D87G048263	JL465Q5*756T94713*
3	SC1022DL FA	LSCBB13DX7G048264	JL465Q5*756T94710*
4	SC1022DL FA	LSCBB13D27G048260	JL465Q5*756T94722*
5	SC1022DL FA	LSCBB13D27G048257	JL465Q5*756T94708*
6	SC1022DL FA	LSCBB13D67G048259	JL465Q5*756T94735*
7	SC1022DL FA	LSCBB13D67G048262	JL465Q5*756T94698*
8	SC1022DL FA	LSCBB13D17G048265	JL465Q5*756594729*
9	SC1022DL FA	LSCBB13D47G048261	JL465Q5*756T94677*
10	SC1022DL FA	LSCBB13D47G048258	JL465Q5*756T94733*
11	SC1022WL FA	LSCBB43DX7G016500	JL465Q5*756T94734*
12	SC1022WL FA	LSCBB43D97G025964	JL465Q5*756T94727*
13	SC1022WL FA	LSCBB43D87G016642	JL465Q5*756T94701*
14	SC1022WL FA	LSCBB43DX7G025973	JL465Q5*756T94737*
15	SC1022WL FA	LSCBB43D27G025983	JL465Q5*756T94723*
16	SC1022WL FA	LSCBB43D07G025982	JL465Q5*756T94725*
17	SC1022WL FA	LSCBB43D37G025961	JL465Q5*756T94684*
18	SC1022WL FA	LSCBB43D37G016497	JL465Q5*756T94690*
19	SC1022WL FA	LSCBB43D17G025957	JL465Q5*756T94726*
20	SC1022WL FA	LSCBB43D07G016649	JL465Q5*756T94679*
21	SC1022WL FA	LSCBB43D97G016651	JL465Q5*756T94696*
22	SC1022WL FA	LSCBB43D77G016650	JL465Q5*756T94703*
23	SC1022WL FA	LSCBB43D67G025971	JL465Q5*756T94718*
24	SC1022WL FA	LSCBB43D97G016648	JL465Q5*756T94712*
25	SC1022WL FA	LSCBB43D67G016641	JL465Q5*756T94691*
26	SC1022WL FA	LSCBB43D37G025958	JL465Q5*756T94728*
27	SC1022WL FA	LSCBB43D87G025955	JL465Q5*756T94714*
28	SC1022WL FA	LSCBB43D47G016654	JL465Q5*756T94711*
29	SC1022WL FA	LSCBB43D07G025965	JL465Q5*756T94724*
30	SC1022WL FA	LSCBB43D77G025963	JL465Q5*756T94683*
31	SC1022WL FA	LSCBB43D07G016652	JL465Q5*756T94730*
32	SC1022WL FA	LSCBB43D47G025967	JL465Q5*756T94688*

NO.	MODEL NO.	VIN #	ENGINE NO.
33	SC1022WL FA	LSCBB43D97G025978	JL465Q5*756T94732*
34	SC1022WL FA	LSCBB43D17G025974	JL465Q5*756T94738*
35	SC1022WL FA	LSCBB43D17G025960	JL465Q5*756T94707*
36	SC1022WL FA	LSCBB43D77G016499	JL465Q5*756T94705*
37	SC1022WL FA	LSCBB43D27G016653	JL465Q5*756T94676*
38	SC1022WL FA	LSCBB43D77G025977	JL465Q5*756T94736*
39	SC1022WL FA	LSCBB43D27G025966	JL465Q5*756T94681*
40	SC1022WL FA	LSCBB43D87G025972	JL465Q5*756T94716*
41	SC1022WL FA	LSCBB43D87G025969	JL465Q5*756T94719*
42	SC1022WL FA	LSCBB43D67G025968	JL465Q5*756T94715*
43	SC1022WL FA	LSCBB43D07G025979	JL465Q5*756T94709*
44	SC1022WL FA	LSCBB43D77G016647	JL465Q5*756T94687*
45	SC1022WL FA	LSCBB43DX7G025956	JL465Q5*756T94685*
46	SC1022WL FA	LSCBB43D57G025962	JL465Q5*756T94700*
47	SC1022WL FA	LSCBB43D57G016646	JL465Q5*756T94693*
48	SC1022WL FA	LSCBB43DX7G016643	JL465Q5*756T94731*
49	SC1022WL FA	LSCBB43D57G025976	JL465Q5*756T94682*
50	SC1022WL FA	LSCBB43D67G025985	JL465Q5*756T94721*
51	SC1022WL FA	LSCBB43D87G026054	JL465Q5*756T94689*
52	SC1022WL FA	LSCBB43D17G016644	JL465Q5*756T94694*
53	SC1022WL FA	LSCBB43D77G025980	JL465Q5*756T94695*
54	SC1022WL FA	LSCBB43D57G016498	JL465Q5*756T94692*
55	SC1022WL FA	LSCBB43D47G025984	JL465Q5*756T94697*
56	SC1022WL FA	LSCBB43D37G016645	JL465Q5*756T94704*
57	SC1022WL FA	LSCBB43D57G025959	JL465Q5*756T94686*
58	SC1022WL FA	LSCBB43D17G016496	JL465Q5*756T94739*
59	SC1022WL FA	LSCBB43D97G025981	JL465Q5*756T94706*
60	SC1022WL FA	LSCBB43D37G025975	JL465Q5*756T94699*
61	SC1022WL FA	LSCBB43D47G025970	JL465Q5*756T94720*
LOW-SPEED MINI VAN FOR OFF ROAD USE			
62	SC1022SL FA	LSCBB23D97G086266	JL465Q5*756T94678*
63	SC1022SL FA	LSCBB23D57G086264	JL465Q5*756T94680*
64	SC1022SL FA	LSCBB23D77G086265	JL465Q5*756T94702*

Appendix B

**For Administrative Settlement Agreement - *In the Matter of Tiger Truck, LLC*
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SERIAL	Model #	Description	YEAR MODEL
LSCBB13D95G038015	338000	Star Flex Fuel Vehicle, Auto Trans.	2006
LSCBB13D35G038012	338700	Star,S-Cab,Flex Fuel,Refuse,Auto	2006
LSCBB43D15A039518	438400	Star,X-Cab Flex Fuel Veh. Std. Trans.	2006
LSCBB43D35A039519	438400	Star,X-Cab, Flex Fuel Veh., Std. Trans.	2006
LSCBB43D45A039528	438400	Star,X-Cab Flex Fuel Veh.,Std. Trans.	2006
LSCBB43D25A039530	338400AC	Star,X-Cab,Flex Fuel,Auto,A/C	2006
LSCBB43D85A039533	338400AC	Star,X-Cab,Flex Fuel,Auto,A/C	2006
LSCBB43D15A039535	338400AC	Star,X-Cab,Flex Fuel,Auto,A/C	2006
LSCBB43D25A039544	338400AC	Star,X-Cab,Flex Fuel,Auto,A/C	2006
LSCBB43D66A007259	338400AC	Star X-Cab Flex Fuel,Auto,A/C	2006
LSCBB43DX6A019737	338400AC	Star,X-Cab,FFV,AT,AC	2006
LS4BAB3D86G122655	338900	Star,C-Van,FFV,AT,AC	2007

Appendix C

**For Administrative Settlement Agreement - In the Matter of Tiger Trucks, LLC
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LARGER THAN ACTUAL SIZE

IMPORTANT ENGINE INFORMATION

MFR DATE

THIS ENGINE CONFORMS TO 2007 US EPA REGULATIONS FOR
SMALL NON-ROAD AND CALIFORNIA EMISSION REGULATIONS
FOR OFF-ROAD LARGE SI ENGINES AND IS CERTIFIED TO 12.0
G/Kw-hr HC+NOx AND 549 g/kW-hr CO.

ENGINE FAMILY: 7TGRB.995STR (CARB), 7TGRS.995STR (EPA)
ENGINE MODEL: STAR995 DISP.: 995cc
EXHAUST ECS: MFI, HO2S, TWC POWER: 35 hp @ 3800 rpm
OIL: API GRADE SE, SF, SW SAE 10-40 VISCOSITY
THIS ENGINE IS CERTIFIED TO OPERATE ON 87 OCTANE GASOLINE
EMISSIONS COMPLIANCE PERIOD: 1000 HOURS
REFER TO OWNER'S MANUAL FOR MAINTENANCE AND TUNE-UP
SPECIFICATIONS.

JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC

2007
2008
2009



WARNING: READ OWNER'S MANUAL BEFORE
ENGINE OPERATION. DANGER: TURN ENGINE
OFF BEFORE REFUELING AND MAINTENANCE.

TIGER TRUCK, LLC

ACTUAL SIZE WILL BE 2-7/8" x 1-7/8"

Appendix C

TIGER TRUCK

1.0 ENGINE LABELING PROCEDURES

The following steps must be taken to properly apply any and all engine labels.

- 1.1 Clean the surface to be adhered to with a clean cloth using an adequate amount of water/alcohol-based cleaner.
- 1.2 Using a second clean dry cloth, verify all surface dirt and fluid has been removed. Repeat steps 1.1 and 1.2 until a clean surface is verified.
- 1.3 Apply the appropriate approved engine label.
- 1.4 Briskly rub the engine label to assure it is fully adhered to the cleaned surface.