

Enclosure 1

CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. CAA-11-7942

Respondent:
Fuzion Motors, LLC
2475 Westel Road
Rockwood, TN 37854

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 this 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 a penalty in the amount of \$3,000, 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 alleged violations set forth in Table 1 and Table 2. Upon signing and returning this Agreement to 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.

APPROVED BY EPA:



Phillip A. Brooks, Director, Air Enforcement Division

Date: 6/22/11

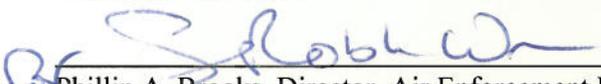
APPROVED BY RESPONDENT:

Name (print): DOUG HAWKINS

Title (print): PRODUCT MGR

Signature: D. M. Hawkins

RATIFIED BY EPA:



Phillip A. Brooks, Director, Air Enforcement Division

Date: 7/27/11

Table 1 - Inspection Information

Entry/Inspection Date(s):		Docket Number:	
March 10, 2011		C A A - 1 1 - 7 9 4 2	
Inspection Location:		Entry/Inspection Number(s)	
Price Transfer		E A E - 1 0 1 4 6 9 4 - 0	
Address:			
2711 East Dominguez St.		E A E - 1 0 1 4 6 9 3 - 2	
City:		Inspector(s) Name(s):	
Long Beach		Joseph Lapka	
State:	Zip Code:	EPA Approving Official:	
CA	90810	Phillip A. Brooks	
Respondent:		EPA Enforcement Contact:	
Fuzion Motors, LLC		Meetu Kaul 202-564-4572	

Table 2 - Description of Violation and Vehicles/Engines

EPA's March 10, 2011 inspection at the Price Transfer warehouse, revealed that one personal watercraft imported by Fuzion Motors, LLC (Fuzion) did not bear the required Emission Control Information (ECI) label, and one bore an ECI label that was not readily visible. Further, EPA determined from its inspection that twenty outboard engines imported by Fuzion are not covered by a Certificate of Conformity (COC) because they are materially different from the certified configuration. A COC covers only those engines that are materially the same as the configuration described in the application for the COC. Specifically, the applications for the COCs covering the outboard engines specify non-adjustable carburetors and compliant fuel lines, while the imported outboards have fully adjustable carburetor idle fuel mixture screws and under-cowl fuel lines (those contained within the cover of the outboard engine) deemed non-compliant because they are unlabeled. See 40 C.F.R. §§ 1045.115, 145(k)(1) and (5), and 1060.137. These are material differences from the certified configuration. Thus, Fuzion's importation of the two personal watercraft and the twenty outboard engines constitutes twenty-two violations of 40 C.F.R. § 1068.101(a)(1) and 1068.101(b)(5) which prohibits importation of engines that do not conform to the COCs and do not bear the required ECI labels.

Equipment Description	Engine Family	Manufacturer	Model Year	Quantity
Personal Watercraft	AZSMM1.05201	Zhejiang Shengqi Motion Apparatus Co., LTD	2010	2
Outboard Engines (F15BML)	ASZPM.323002	Suzhou Parsun Power Machine Co., LTD	2010	4
Outboard Engines (F20BML, F25BWL, and F25FWL)	ASZPM.498004	Suzhou Parsun Power Machine Co., LTD	2010	16

Table 3 - Penalty and Required Remediation

Penalty	\$200 (for violations pertaining to the personal watercraft) \$2,800 (for violations pertaining to the outboard engines) Total penalty: \$3,000
Required Remediation	The outboard engines described in Table 2 have been returned to the shipper overseas. Instructions for re-labeling the personal watercraft are attached in Enclosure 2.