

Enclosure
CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. CAA-14-8134

Respondent: Hagop Chamlian
Denebola Motor Sports USA, Inc.
339 ½ N. Brand Blvd.
Glendale, CA 91203

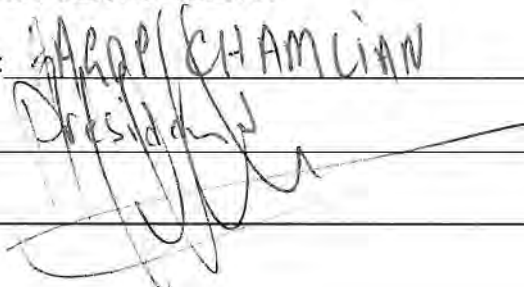
1. The parties enter into this Clean Air Act Mobile Source Expedited Settlement Agreement (Agreement) in order to settle the civil violations discovered as a result of the inspection specified in Table 1, attached, and incorporated into this Agreement by reference. The civil violations that are the subject of this Agreement are described in Table 2, attached, and 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 State 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 \$2,500 further described in Table 3, attached, and incorporated into this Agreement by reference. Respondent agrees to follow the instructions in "CAA Mobile Source Expedited Settlement Agreement Instructions," attached, and 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 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.

APPROVED BY EPA:


for Phillip A. Brooks, Director, Air Enforcement Division

Date: 8/1/14

APPROVED BY RESPONDENT:

Name (print): HAGOP CHAMLIAN
Title (print): President
Signature: 

Date: 25/08/2014

RATIFIED BY EPA:


for Phillip A. Brooks, Director, Air Enforcement Division

Date: 9/4/14

Table 1 - Inspection Information

Entry/Inspection Date(s):		Docket Number:	
June 17, 2014/June 20, 2014 and June 26, 2014		C A A - 1 4 - 8 1 3 4	
Inspection Location:		Entry/Inspection Number(s)	
Dominguez MET Facility		7 9 9 - 4 7 3 8 6 7 2 - 2	
Address:			
2711 E. Dominguez Street			
City:		Inspector(s) Name(s):	
Long Beach		Debbie Lowe Liang, Jennifer MacArthur	
State:	Zip Code:	EPA Approving Official:	
CA	90810	Phillip A. Brooks	
Respondent:		EPA Enforcement Contact:	
Denebola Motor Sports USA, Inc.		Debbie Lowe Liang (R9), 415-947-4155	

Table 2 - Description of Violation and Vehicles/Engines

The 14 highway motorcycles described below (Subject Motorcycles) were found to be imported by Denebola Motor Sports USA, Inc. (Denebola), in violation of Section 203(a)(1) of the Clean Air Act (CAA), 42 U.S.C. § 7522(a)(1), which prohibits the importation of motor vehicles, including motorcycles, unless they are covered by a valid EPA certificate of conformity (COC) or are properly exempted or excluded. Thirteen of the Subject Motorcycles bore emission control information (ECI) labels indicating they were covered by a 2013 model year (MY) COC issued to Lintex Scooter Company, Ltd. (Lintex), while the remaining Subject Motorcycle was unlabeled. The 2013 MY COC does not cover any of the Subject Motorcycles because the Subject Motorcycles are all 2014 MY, based on the 10th digit of the Vehicle Identification Number (VIN). Lintex indicated in its application for the 2013 COC that the 10th digit of the VIN would designate its model year, with the letter A used for 2010 MY, for example. This convention is the same convention followed for Department of Transportation (DOT) purposes. The 10th digit of the VINs on the Subject Motorcycles is an "E," indicating that the Subject Motorcycles are 2014 MY. Lintex has no COCs for the 2014 MY. Therefore, the Subject Vehicles are not covered by a valid COC, since COCs state that they cover only the MY for which they are issued. Denebola applied for testing exemptions for each of the Subject Motorcycles after the Subject Motorcycles were imported. The EPA approved the testing exemptions for the Subject Motorcycles, valid on the issue date, which occurred in each instance after the date of importation. Therefore, the Subject Motorcycles were not covered by a valid exemption at the time of importation. Denebola committed 14 violations of CAA § 203(a)(1), 42 U.S.C. § 7522(a)(1), by importing motor vehicles that are not covered by a valid EPA COC or properly exempted.

Subject Motorcycles	Engine Family	Manufacturer	Model Year	Quantity
Highway motorcycles	Labeled as DLNXC.049LYA	Zhejiang Lingyu Vehicle Industry Co. Ltd.	2014	11
	Labeled as DLNXC.150LYB		2014	2
	Unknown		2014	1

Table 3 - Penalty and Required Remediation

Penalty	\$2,500
Required Remediation	Denebola Motor Sports USA, Inc. must provide the EPA with a report and documentation showing that it has removed any and all ECI labels from the Subject Motorcycles and affixed testing exemption labels on each Subject Motorcycle, bearing the language specified in 40 C.F.R. § 1068.210(e)(3).