

Enclosure

CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

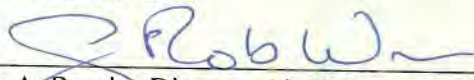
DOCKET NO. CAA-15-8142

Respondent:

BV Powersports, LLC
11488 Chaucer Dr.
Frisco, TX 75035

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 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 \$11,400, 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:

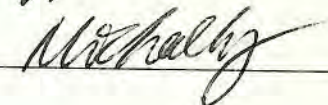
for 
Phillip A. Brooks, Director, Air Enforcement Division

Date: 12/15/14

APPROVED BY RESPONDENT:

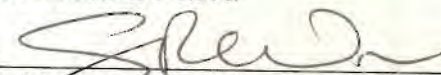
Name (print): Michael Yuen

Title (print): VP

Signature: 

Date: 2/3/15

RATIFIED BY EPA:

for 
Phillip A. Brooks, Director, Air Enforcement Division

Date: 2/24/15

Table 1 - Inspection Information

Entry/Inspection Date(s):		Docket Number:	
March 30, 2012		C A A - 1 5 - 8 1 4 2	
Inspection Location:		Entry/Inspection Number(s)	
CBP Warehouse		A T G - 1 0 0 7 8 2 3 2	
Address:			
2751 E. Dominguez Street			
City:		Inspector(s) Name(s):	
Long Beach		Joseph Lapka	
State:	Zip Code:	EPA Approving Official:	
CA	90810	Phillip A. Brooks	
Respondent:		EPA Enforcement Contact:	
BV Powersports, LLC		Kingsley Adeduro, 415-947-4182	

Table 2 - Description of Violation and Vehicles/Engines

The nonroad recreational vehicles described below (the Subject Vehicles) were found to be uncertified with respect to engine/vehicle standards under Title II of the Clean Air Act (CAA) and 40 C.F.R. Parts 1051 and 1068. A sampled catalyst taken from one of the Subject Vehicles during the March 30, 2012 inspection, was found to be materially different from the catalyst design specified in the application (AFC) for the Certificate of Conformity (COC) for engine family BBVPX.150CYC. Specifically, testing and analysis of the catalyst precious metal (PM) content of this sampled catalyst revealed that the catalyst composition was materially different from the certified design. Because a COC covers only vehicles that are materially the same (including catalyst design) as those described in the AFC, and the amount and chemical constitution of the catalyst PM is material to emissions, the Subject Vehicles are not covered by a valid COC. The EPA has found no evidence that the Subject Vehicles are otherwise excluded from coverage. CAA § 203(a)(1), 42 U.S.C. § 7522(a)(1), prohibits the importation or introduction into U.S. commerce of nonroad engines or vehicles unless they are covered by a valid EPA COC or are properly excluded. By importing the Subject Vehicles and introducing them into U.S. commerce, BV Powersports, LLC, committed 40 violations of CAA § 203(a)(1), 42 U.S.C. § 7522(a)(1).

Subject Equipment	Alleged Engine Family	Manufacturer	Model Year	Quantity
Gasoline-powered Recreational Vehicles (Go Karts)	BBVPX.150CYC	Taizhou Trail-blazer Manufacturing Co., Ltd.	2011	40

Table 3 - Penalty and Required Action

Penalty	\$11,400
Required Remediation	BV Powersports, LLC must export all Subject Vehicles in its inventory to a country other than Canada or Mexico, and provide the EPA with a report either documenting the exportation or proving that it has no Subject Vehicles in its inventory.