

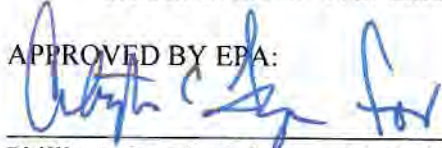
Enclosure
CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. CAA-12-7928

Respondent: James Zhang
Mastercraft Tools Florida, Inc.
7440 NW 52nd Street
Miami, FL 33166

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 \$18,000, 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: 7/30/12

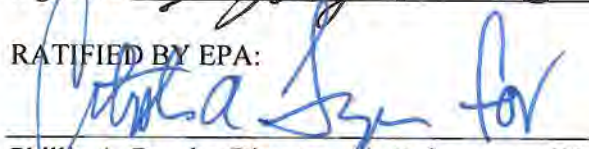
APPROVED BY RESPONDENT:

Name (print): James Zhang

Title (print): President

Signature: 

RATIFIED BY EPA:



Phillip A. Brooks, Director, Air Enforcement Division

Date: 8/23/12

Table 1 - Inspection Information

Entry/Inspection Date(s): July 6 and 9, 2010/ July 23, 2010 and February 1, 2011		Docket Number: C A A - 1 2 - 7 9 2 8	
Inspection Location: CBP Warehouse/ Mastercraft Tools Warehouse		Entry/Inspection Number(s) E M 5 - 0 0 1 4 9 0 3 - 1	
Address: 1800 Eller Drive, #104/ 7440 N.W. 52nd Ave.		E M 5 - 0 0 1 4 8 9 7 - 5	
City: Fort Lauderdale/ Miami		Inspector(s) Name(s): Richard Rubio/ Mario Jorquera	
State: FL	Zip Code: 33316	EPA Approving Official: Phillip A. Brooks	
Respondent: Mastercraft Tools Florida, Inc.		EPA Enforcement Contact: David E. Alexander – telephone (202) 564-2109	

Table 2 - Description of Violation and Vehicles/Engines

Mastercraft Tools Florida, Inc. (Mastercraft) imported 1,150 generators powered by gasoline engines manufactured by Yongkang Apollo Motive Force Industrial Co., Ltd. (Apollo), described below. Entry No. EM5-0014897-5 was imported on July 6, 2010, and Entry No. EM5-0014903-1 was imported on July 9, 2010. Furthermore, Mastercraft sold 253 of the generators in Entry No. EM5-0014897-5. EPA determined from the inspections in Table 1 that the engines contained in generator models GE1000, GE1200, GE3000 GE3000E and Farmington have adjustable carburetors while the certified designs specify non-adjustable carburetors, a material difference that affects emissions. Specifically, the adjustable carburetors have an idle mixture screw that can be used to adjust the proportion of fuel to air at idle and partial throttle. By its terms, a certificate of conformity (COC) covers only those engines that are materially the same as the certified design. Thus, the imported engines are not covered by a COC. Mastercraft committed 1,150 violations of 40 C.F.R. § 90.1003(a)(1)(ii) by importing uncertified engines into the U.S.

40 C.F.R. § 90.114 requires that EPA emission control information (ECI) labels be designed to be destroyed or defaced upon removal, and contain the required information. 40 C.F.R. § 90.1003(a)(4)(ii) prohibits the sale or introduction into commerce of engines that do not bear the required ECI label. EPA determined that the generator models listed on lines 1 and 2 below bore noncompliant ECI labels. Specifically, the ECI labels could be removed without being destroyed or defaced, and they were missing the date of engine manufacture. In addition, the ECI labels on model GE1000 generators were missing all required information except the engine family name. In addition, the ECI labels on the GE-3000/3000E generators bore an incorrect engine family name. Mastercraft committed 253 violations of 40 C.F.R. § 90.1003(a)(4)(ii) by selling 253 model GE1000 and GE1200 generators that do not bear the required ECI labels.

40 C.F.R. § 90.1103 requires engine manufacturers to warrant the emission control system on the engines for two years. 40 C.F.R. § 90.3 includes importers in the definition of engine manufacturer. EPA determined that Mastercraft failed to provide the required warranty for generator models GE3000 and 3000E. Upon inspection of Entry No. EM5-0014897-5, EPA did not find warranty information or warranty paperwork for these Subject Engines or any of the Mastercraft's display engines. Thus, for the model GE1000 and GE1200 generators Mastercraft committed 253 violations of 40 C.F.R. § 90.1003(a)(4)(i) and 90.1103(b) by selling engines that are not covered by the required warranty.

Generator Description	Entry #	Engine Family	Manufacturer	Year	Violation
1) 200 Model GE1200	EM5-0014897-5	9YAMS.0791ST	Apollo/Zhuhai	2009	Uncertified/ 253 with Label and Warranty violations
2) 300 Model GE1000		9YAMS.0631ST		2009	
3) 350 Model Farmington	EM5-0014903-1	9YAMS.0631ST		2009	Uncertified
4) 300 Model GE3000/ GE3000E		AYAMS.1961ST		2010	

Table 3 - Penalty and Required Remediation

Penalty	\$19,000
Required Remediation	Mastercraft must provide EPA with documentation that the 650 Framingham, model GE3000 and GE3000E generators described above and imported under entry number EM5-0014903-1, and 247 generators from entry number EM5-0014897-5 have been destroyed or exported to a country other than Canada or Mexico. In addition, Mastercraft must affirm that it will provide future purchasers with warranties that comply with the regulations and that it will honor those warranties.

CAA MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT INSTRUCTIONS

Within THIRTY (30) DAYS from your receipt of the Agreement, you must send the original, signed Agreement, the report detailing your corrective action(s), and a photocopy of your penalty check, via EXPRESS MAIL to:

Cassandra Barnes,
Air Enforcement Division (Mailcode 2242-A)
U.S. Environmental Protection Agency Headquarters
1200 Pennsylvania Ave., NW, Room 2111-C
Washington, DC 20460

In addition, a photocopy of the signed Agreement and the original certified penalty check, payable to the United States of America with the case name and docket number on the check, must be sent via CERTIFIED MAIL to:

U. S. Environmental Protection Agency Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000
Attn: AED/MSEB No. CAA-12-7928

The Docket Number is located at the top of the left column of the Agreement. Please retain copies of the signed Agreement, the report detailing your corrective actions, and the penalty check for your own records.

If you have any questions or would like to request an extension, you may contact Cassandra Barnes of the Mobile Source Enforcement Branch at (202) 564-2414. EPA will consider whether to grant an extension on a case-by-case basis. EPA will not accept or approve any Agreement returned more than 30 days after the date of your receipt of the Agreement unless an extension has been granted by EPA. If you believe that the alleged violations are without merit (and you can provide evidence contesting the allegations), you must provide such information to EPA as soon as possible but no later than THIRTY (30) days from your receipt of the Agreement.

Unless an extension has been granted by EPA, if you do not sign and return the Agreement with proof of payment of the penalty amount and a report detailing your corrective action(s) within 30 days of your receipt of the Agreement, the Agreement is automatically withdrawn, without prejudice to EPA's ability to file an enforcement action for the above or any other violations. Failure to return the Agreement within the approved time does not relieve you of the responsibility to comply fully with the regulations, including correction of the violations that have been specifically identified in the enclosed form. If you decide not to sign and return the Agreement and pay the penalty, EPA may pursue more formal enforcement measures to correct the violation(s) and seek penalties of up to \$37,500 per vehicle/engine in violation.