

Enclosure
CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. R9-CAA-18-1011

Respondent: Mr. Tony Sun
American Lifan, Inc.
1930 S. Rochester Ave., Unit 107
Ontario, California 91761

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, 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 the EPA's jurisdiction.
3. Respondent consents to the payment of a penalty in the amount of **\$13,000** 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, the 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 Region 9 Enforcement Division Assistant Director's ratifying signature.

APPROVED BY EPA:

[Redacted Signature]

Joel Jones, Assistant Director, Enforcement Division EPA Region 9

Date: 4-5-18

APPROVED BY RESPONDENT:

Name (print): Qi Sun

Title (print): CEO

Signature: [Redacted Signature]

Date: 05-01-18

RATIFIED BY EPA:

[Redacted Signature]

Joel Jones, Assistant Director, Enforcement Division EPA Region 9

Date: 5-7-18

Table 1 - Inspection Information

Entry/Inspection Date(s):		Docket Number:	
November 15, 2016/November 30, 2016		R 9 - C A A - 1 8 - 1 0 1 1	
Inspection Location:		Entry/Inspection Number(s)	
Cal. Cartage Warehouse		A T G - 1 0 1 5 1 5 8 - 3	
Address:			
22351 S. Wilmington Avenue		2 0 1 6 1 1 3 0 1 5 3 5 - 0 1	
City:		Inspector(s) Name(s):	
Carson		Jennifer MacArthur, Nathan Dancher	
State:	Zip Code:	EPA Approving Official:	
CA	90745	Joel Jones	
Respondent:		EPA Enforcement Contact:	
American Lifan, Inc.		Andrew Zellinger (Region 9), 415-972-3093	

Table 2 - Description of Violation and Equipment

The 40 Motorcycles described below (Subject Motorcycles) were found to be imported by American Lifan, Inc. (American Lifan) in violation of Section 203(a)(1) of the Clean Air Act (CAA), 42 U.S.C. §§ 7522(a)(1), and the regulations codified at 40 C.F.R. § 86-407-78, which collectively prohibit the importation of engines or equipment containing these engines, unless they are covered by a valid EPA certificate of conformity (COC) or are properly exempted or excluded. When American Lifan imported the Subject Motorcycles on or about November 15, 2016, it did not submit an EPA Declaration Form 3520-1, and therefore did not claim any exemptions or exclusions for the Subject Motorcycles or this engine family. During the inspection outlined above, the EPA inspectors took a sample muffler/exhaust assembly from the entry and sent it to an EPA laboratory for analysis. Physical and chemical examination of the muffler assembly of the sampled exhaust system revealed that the design of the catalyst contained therein is materially different from the catalyst designs specified in the COC application for engine family HAML.C.198QPA. Hence, the 40 Motorcycles are uncertified, and they cannot legally be imported into the United States.

Equipment Description	Claimed Engine Manufacturer	Model Year	Claimed Engine Family	Quantity
Motorcycles	Jiangmen Qipai Motorcycle Co., Ltd.	2017	HAML.C.198QPA	40

Table 3 - Penalty and Required Remediation

Penalty	\$13,000
Required Remediation	American Lifan, Inc. must provide EPA with a report and documentation showing that the Subject Engines have been destroyed or exported to a country other than Canada and Mexico.