

MAR 22 2018



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

7016 1370 0000 2234 5410

Yang Yu
Chief Executive Officer
CFY International Inc.
311 E. Valley Blvd. #112261
San Gabriel, California 91776

Re: Docket No. R9-CAA-18-1012

Dear Yang Yu,

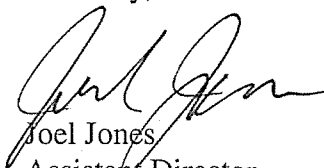
An authorized representative of the United States federal government conducted an inspection to determine your company's compliance with the Clean Air Act (CAA) and regulations promulgated thereunder. The details of this inspection are outlined in the enclosed Clean Air Act Mobile Source Expedited Settlement Agreement (Agreement). As a result of the inspection, it was determined that your company failed to comply with the CAA and the associated regulations. The Agreement describes the violations.

Based upon information we currently have, it appears that your company has not previously violated the CAA. Because of this, you may resolve violations using an expedited process that includes significantly lower penalties than those sought through the normal settlement process. The United States Environmental Protection Agency (EPA) is authorized to enter into the Agreement under the authority vested in the EPA Administrator by Section 205(c)(1) of the CAA, 42 U.S.C. § 7524(c)(1). Should your company violate the CAA in the future, EPA will not offer this expedited process again. After the Agreement becomes effective, EPA will take no further civil action against your company for the violation(s) described in the Agreement. However, EPA does not waive any rights to take an enforcement action for any other past, present, or future violations of the CAA or of any other federal statute or regulation.

If you do not sign and return the enclosed Agreement as presented within **30 calendar days** of its receipt, and meet all of your obligations under the Agreement, the proposed Agreement is withdrawn without prejudice to EPA's ability to file any other enforcement action for the violation(s) identified in the Agreement and seek penalties of up to \$46,192 per engine in

violation. Please refer to "CAA Mobile Source Expedited Settlement Agreement Instructions," attached, for instructions on accepting this Agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel Jones", written in a cursive style.

Joel Jones
Assistant Director
Enforcement Division

Enclosure

Enclosure

CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. R9-CAA-18-1012

Respondent:
CFY International Inc.
311 E. Valley Blvd. #112261
San Gabriel, California 91776

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 \$800 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 Approving Official's ratifying signature.

APPROVED BY EPA:



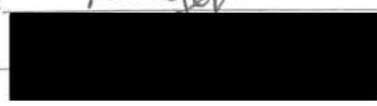
Joel Jones, Assistant Director, Enforcement Division

Date: 3/22/18

APPROVED BY RESPONDENT:

Name (print): 

Title (print): Manager

Signature: 

Date: 3/29/18

RATIFIED BY EPA:



Joel Jones, Assistant Director, Enforcement Division

Date: 10/4/18

Table 1 - Inspection Information

| | | | |
|----------------------------------|------------------|---|--|
| Entry/Inspection Date(s): | | Docket Number: | |
| April 10, 2017/May 8, 2017 | | R 9 - C A A - 1 8 - 1 0 1 2 | |
| Inspection Location: | | Entry/Inspection Number(s) | |
| FCL Logistics | | 9 P S - 1 0 9 0 2 2 0 - 7 | |
| Address: | | | |
| City: | | Inspector(s) Name(s): | |
| Carson | | Andrew Zellinger, Jennifer MacArthur | |
| State: | Zip Code: | EPA Approving Official: | |
| CA | 90745 | Joel Jones | |
| Respondent: | | EPA Enforcement Contact: | |
| CFY International Inc. | | Roshni Brahmhatt (Region 9), 415-972-3995 | |

Table 2 - Description of Violation and Equipment

The 60 spark-ignition marine engines imported by CFY International Inc. (CFY International) on April 10, 2017 (collectively the "Subject Engines") did not include a copy of the certificate of conformity (COC), nor the EPA declaration form, nor the required engine family and model information. Inspectors did not observe emission control information labels on the inspected samples. CFY International: 1) failed to provide information regarding the engine family and model for any of the Subject Engines and 2) did not claim any exemptions or exclusions. The only markings on the sampled engine was on the housing which bore the logo "Yaufey". EPA searches of its database for COC holders named "CFY International" or "Yaufey" revealed no certificate holders. CFY International has imported the Subject Engines in violation of CAA Sections 203(a)(1) and 213(d), 42 U.S.C. §§ 7522(a)(1) and 7547(d), and the regulations codified at 40 C.F.R §1068.101(a)(1) and (b)(5), which collectively prohibit the importation of spark-ignition engines or equipment containing these engines, unless they are covered by a valid EPA COC or are properly exempted or excluded.

| Equipment Description | Claimed Engine Manufacturer | Model Year | Claimed Engine Family | Quantity |
|-----------------------|-----------------------------|------------|-----------------------|----------|
| Marine Engines | Unknown | Unknown | Unknown | 60 |

Table 3 - Penalty and Required Remediation

| | |
|----------------------|---|
| Penalty | \$800 |
| Required Remediation | CFY International 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. |

CAA MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT INSTRUCTIONS

Within 30 days from your receipt of the Agreement, you must pay the penalty using one of the following methods:

Payment method 1 (electronic): Pay online through the Department of the Treasury using WWW.PAY.GOV. In the Search Public Form field, enter SFO 1.1, click EPA Miscellaneous Payments - Cincinnati Finance Center and complete the SFO Form Number 1.1. The payment shall be identified with case number R9-CAA-18-1012. Also send a photocopy of the signed agreement and a copy of the payment receipt to the address in payment method 2, below.

Payment method 2 (check): Mail, via certified mail, a certified check payable to the United States of America marked with the case name, CFY International, Inc. and docket number R9-CAA-18-1012, with a photocopy of the signed agreement to:

U. S. Environmental Protection Agency Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000
Attn: R9-CAA-18-1012

Within 30 days from your receipt of the Agreement, you must also send the original, signed Agreement, the report detailing your corrective action(s), and proof of payment (meaning, as applicable, a photocopy of the original certified penalty check or confirmation of electronic payment) via **CERTIFIED MAIL to:**

Attn: Roshni Brahmbhatt
Enforcement Division
U.S. Environmental Protection Agency Region IX
75 Hawthorne St. (ENF-2-1)
San Francisco, CA 94105

If you have any questions or would like to request an extension, you may contact Roshni Brahmbhatt of the Enforcement Division at (415)-972-3995. 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 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 \$46,268 per vehicle/engine in violation.