



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
SAM NUNN
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA GEORGIA 30303-8960

JUN 01 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Jim Wynn
CEO/Owner
Solutions USA, Inc.
139 Altama Connector #417
Brunswick, GA 31525-1881

Re: Solutions USA, Inc.
Docket No.: FIFRA-04-2011-3005(b)

Dear Mr. Wynn:

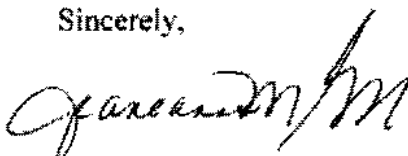
Enclosed is a copy of the ratified Consent Agreement and Final Order (CAFO) in the above-referenced matter. The original CAFO has been filed with the Regional Hearing Clerk and served on the parties as directed in Section 22.6 of the Consolidated Rules of Practice, 40 C.F.R. Part 22.

As stated in Section V of the CAFO, the assessed penalty of \$1,828 is due within 30 days of the effective date and you have indicated that the SEP project will be completed within six months of the effective date. Please ensure that the face of your cashier's or certified check includes the name of the company and the Docket Number of this case.

Penalty payment questions should be directed to Mr. Bryson Lehman either by telephone at (513) 487-2123 or by written correspondence to his attention at the U.S. Environmental Protection Agency's (EPA's) Cincinnati Accounting Operations address identified in the CAFO. Should you have any questions about this matter or your compliance status in the future, please call me at (404) 562-8979 or Ms. Patricia Livingston at (404) 562-9171.

Also enclosed is a copy of a document entitled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts you on notice of your potential duty to disclose to the Securities and Exchange Commission (SEC) any environmental enforcement actions taken by EPA.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeanne M. Gettle". The signature is fluid and cursive, with a large, stylized initial "M" at the end.

Jeanne M. Gettle
Chief, Pesticides and Toxic
Substances Branch

Enclosures

cc: Mr. Tommy Gray, GDA w/ Enclosures
File No. 04130717310101

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
ATLANTA, GEORGIA

In the Matter of:)
)
Solutions USA, Inc.)
)
Respondent.)
_____)

Docket No. FIFRA-04-2011-3005(b)

2011 JUN 1 11:03
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE

CONSENT AGREEMENT AND FINAL ORDER

I. Nature of the Action

1. This is a civil penalty proceeding pursuant to Section 14(a) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended, 7 U.S.C. § 136l(a) (FIFRA), and pursuant to the Consolidated Rules of Practice Governing Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. Part 22. Complainant is the Director of the Air, Pesticides, and Toxics Management Division, United States Environmental Protection Agency, Region 4 (EPA). Respondent is Solutions USA, Inc.
2. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. § 22.18 and desire to resolve this matter and settle the allegations described herein without a formal hearing. Therefore, without the taking of any evidence or testimony, the making of any argument, or the adjudication of any issue in this matter, and in accordance with 40 C.F.R. § 22.13(b), this Consent Agreement and Final Order (CAFO) will simultaneously commence and conclude this matter.

II. Preliminary Statements

3. The authority to take action under Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), is vested in the Administrator of EPA. The Administrator of EPA has delegated this authority under FIFRA to EPA Region 4 by EPA Delegation 5-14, dated May 11, 1994. The Regional Administrator, Region 4, has redelegated to the Director, Air, Pesticides and Toxics Management Division, the authority under Section 14(a) of FIFRA, 7 U.S.C. § 136l(a) by EPA Region 4 Delegation 5-14, dated September 7, 2005. Pursuant to these Delegations, the Director of the Air, Pesticides and Toxics Management Division has the authority to commence an enforcement action as the Complainant in this matter.
4. Pursuant to 40 C.F.R. § 22.5(c)(4), the following individual is authorized to receive service for EPA in this proceeding:

Patricia Livingston
Pesticides Section
U.S. EPA Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960
(404) 562-9171.

5. Respondent is Solutions USA, Inc., a Georgia corporation, located at 139 Altama Connector #417, Brunswick, Georgia 31525-1881.

III. Specific Allegations

6. Respondent is a "person" as defined by Section 2(s) of FIFRA, 7 U.S.C. § 136(s), and as such is subject to FIFRA and the regulations promulgated thereunder.
7. A pest is defined in Section 2(t) of FIFRA, 7 U.S.C. § 136(t), as any insect, rodent, nematode, fungus, weed, or any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other

microorganisms on or in living man or other living animals) which the Administrator declares to be a pest under Section 25(c)(1) of FIFRA, 7 U.S.C. § 136w(c)(1).

8. Respondent "produces" pesticides. The term "producer" as defined by 40 C.F.R. § 167.3 means any person who produces any pesticide, active ingredient, or device (including packaging, repackaging, labeling, and relabeling).
9. Respondent "distributes or sells" pesticides. The term "to distribute or sell" as defined by Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), includes to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, or release for shipment.
10. On or about April 13, 2007, an authorized representative of the EPA conducted an inspection at Respondent's facility. Prior to the inspection, EPA determined that Respondent was advertising its product "Line Blaster" for sale on the internet and was making pesticidal claims for the product that included, but was not limited to, "Removes Legionnaires Disease," "Removes All Micro-Organisms," and "Controls algae growth."
11. During the aforementioned inspection, the product "Line Blaster" was identified as being produced, sold, and distributed by the Respondent.
12. Based upon Respondent's internet advertisement that made pesticidal claims for "Line Blaster" prior to and at the time of the inspection, "Line Blaster" was a pesticide as defined in Section 2(u) of FIFRA, 7 U.S.C. § 136(u), which includes any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.
13. Subsequent to the inspection, EPA issued a Notice of Violation (NOV) to Respondent alleging that Respondent had been making pesticidal claims for its product "Line

- Blaster," and as such, was illegally selling an unregistered pesticide.
14. In response to EPA's NOV, Respondent has removed the pesticidal claims from its website for "Line Blaster." As a result, the product "Line Blaster," as formulated, is not currently considered to be a pesticide.
 15. Under Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), it is unlawful for any person to distribute or sell to any person any pesticide that is not registered under Section 3 of FIFRA, 7 U.S.C. § 136a. At the time of the inspection, "Line Blaster" had not been registered with EPA under Section 3 of FIFRA.
 16. Respondent violated Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), by offering an unregistered pesticide for sale and is therefore subject to the assessment of civil penalties under Section 14 of FIFRA, 7 U.S.C. § 136l.
 17. At the time of the inspection, Solutions USA, Inc., produced the pesticide "Line Blaster" in an establishment that was not registered with the Administrator of EPA as a pesticide-producing establishment.
 18. Under Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L), it is unlawful to produce a pesticide in any State unless the establishment is registered with the Administrator of EPA as set forth in Section 7 of FIFRA, 7 U.S.C. § 136e.
 19. Respondent violated Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L), by failing to register the establishment with EPA and is therefore subject to the assessment of civil penalties under Section 14 of FIFRA, 7 U.S.C. § 136l.
 20. Additionally, during the inspection, the Respondent refused to provide invoice copies or shipping records to the inspector.
 21. Under Section 8(b) of FIFRA, 7 U.S.C. § 136ff(b), any producer, distributor, carrier,

- dealer, or any other person who sells or offers for sale, delivers, or offers for delivery any pesticide or device subject to this Act, shall upon request of any officer or employee of the Environmental Protection Agency or of any State, furnish or permit such person at all reasonable times to have access to, and to copy: all records showing the delivery, movement, or holding of such pesticide or device, including the quantity, the date of shipment and receipt, and the name of the consignor and consignee.
22. Under Section 12(a)(2)(B)(iii) of FIFRA, 7 U.S.C. § 136j(a)(2)(B)(iii), it shall be unlawful for any person to refuse to allow any entry, inspection, copying of records, or sampling authorized by this Act.
23. Respondent violated Section 12(a)(2)(B)(iii) of FIFRA, 7 U.S.C. § 136j(a)(2)(B)(iii), by refusing to allow copying of shipping documents, records and invoices related to the inspection.
24. Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), in conjunction with the Debt Collection Improvement Act of 1996, authorizes the assessment of a civil penalty.
25. Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), requires EPA to consider the appropriateness of the assessed penalty to the size of business of the Respondent, the effect on Respondent's ability to continue in business, and the gravity of the violation.
26. After consideration of the factors set forth in Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), the EPA proposes to assess a total civil penalty of **ONE THOUSAND EIGHT HUNDRED TWENTY-EIGHT DOLLARS (\$1,828)** against the Respondent for the above-described violations. Civil penalties under Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), may be assessed by Administrative Order.

IV. Consent Agreement

27. For the purposes of this CAFO, Respondent admits the jurisdictional allegations set forth above and neither admits nor denies the factual allegations set forth above.
28. Respondent waives its right to a hearing on the allegations contained herein and its right to appeal the proposed Final Order accompanying the Consent Agreement.
29. Respondent consents to the assessment of the penalty proposed by EPA and agrees to pay the civil penalty as set forth in this CAFO.
30. Respondent agrees to complete the Supplemental Environmental Project (SEP) set forth in this CAFO.
31. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of FIFRA.
32. Compliance with this CAFO shall fully and finally resolve the allegations of the violations contained herein. This CAFO shall not otherwise affect any liability of Respondent to the United States. Other than as expressed herein, neither EPA nor Complainant waives any right to bring an enforcement action against Respondent for violation of any federal or state statute, regulation or permit, to initiate an action for imminent and substantial endangerment, or to pursue criminal enforcement for any violations other than those alleged herein, and Respondent does not waive any rights to defend fully any such action.
33. Complainant and Respondent agree to settle this matter by their execution of this CAFO. The parties agree that the settlement of this matter is in the public interest and that this CAFO is consistent with the applicable requirements of FIFRA.

V. Final Order

32. Pursuant to Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), the nature of the alleged violation, Respondent's agreement to perform a Supplemental Environmental Project (SEP) and other relevant factors, EPA has determined that an appropriate civil penalty to settle this action is in the amount of **ONE THOUSAND EIGHT HUNDRED TWENTY-EIGHT DOLLARS (\$1,828)**, which shall be paid within 30 days from the effective date of this CAFO.
33. Respondent shall remit the civil penalty by either a cashier's or certified check made payable to the "Treasurer, United States of America," and shall send the check to the following address by U.S. Postal Service:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979077
St. Louis, Missouri 63197-9000.

The check shall reference on its face the name of the Respondent and Docket Number of this CAFO.

34. At the time of payment, Respondent shall send a separate copy of the check and a written statement that the payment has been made in accordance with this CAFO, to each of the following persons at the following addresses:

Regional Hearing Clerk
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960;

Patricia Livingston
Pesticides Section
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960;

and

Saundi Wilson
Office of Environmental Accountability
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960.

35. For the purposes of state and federal income taxation, Respondent shall not be entitled, and agrees not to attempt, to claim a deduction for any civil penalty payment made pursuant to this CAFO. Any attempt by Respondent to deduct any such payments shall constitute a violation of this CAFO.
36. Pursuant to 31 U.S.C. § 3717, EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will therefore begin to accrue on the civil penalty from the date of entry of this CAFO, if the penalty is not paid by the date required. A charge will also be assessed to cover the administrative costs, both direct and indirect, of overdue debts. In addition, a late payment penalty charge shall be applied on any principal amount not paid within 90 days of the due date.
37. Supplemental Environmental Project (SEP). Respondent shall complete the following SEP within six (6) months of the effective date of this CAFO, which the parties agree is intended to secure significant environmental or public health protection.
- a. Respondent will purchase and supply the EPA-registered antimicrobial pesticide Jomax, EPA Reg. No. 6785-4, to the St. Bernard Project as a donation to their mission to clean up and rebuild homes in the New Orleans area.
 - b. The St. Bernard Project is a non-profit outreach organization of the United Methodist Church. Homes are gutted to the studs and foundation and the

antimicrobial pesticide product will be used to clean mold and mildew before homes are rebuilt.

- c. The SEP is more specifically described in the scope of work, attached hereto as Exhibit A and incorporated herein by reference.
38. The total expenditure for the SEP shall not be less than **Five Thousand Four Hundred Eighty-Four Dollars (\$5,484)**. Respondent shall include documentation of the expenditures made in connection with the SEP as part of the SEP Completion Report set forth herein.
39. Respondent shall submit the following reports to EPA regarding the progress and completion of the SEP.
- a. Respondent shall submit a Periodic Report to EPA every three (3) months the first of which is due 90 calendar days from the effective date of the CAFO, until the SEP is complete and the SEP Completion Report, noted below, is submitted to EPA. The Periodic Report shall contain the following information:
 - (i). a detailed description of the status of the SEP; and
 - (ii). a timeline indicating the completion date or the expected completion date.
 - b. Respondent shall submit a SEP Completion Report to EPA within thirty (30) days after the completion of the SEP. The SEP Completion Report shall contain the following information:
 - (i). a detailed description of the SEP as implemented;
 - (ii). an affidavit from an authorized company official, attesting that the SEP has been completed or explaining in detail any failure to complete;
 - (iii). copies of appropriate documentation, including invoices for the registered

pesticides purchased, rent on storage building, freight charges to ship the product, and itemized travel expenses.

- c. Respondent agrees that failure to submit the SEP Completion Report or any Periodic Report required as set herein above shall be deemed a violation of this CAFO and Respondent shall become liable for stipulated penalties pursuant to paragraph 38 below.
- d. Respondent shall submit all reports required by this CAFO by first class mail or overnight delivery service to the following:

Patricia Livingston
Pesticides Section
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960.

- 40. Respondent agrees that EPA may inspect the facility at any time in order to confirm that the SEP is being undertaken in conformity with the representations made herein.
- 41. Respondent agrees that failure to comply with any of the terms or provisions of this CAFO relating to the performance of the SEP and/or to the extent that the actual expenditures for the SEP do not equal or exceed the cost of the SEP described in paragraph 35 above, Respondent shall be liable for stipulated penalties according to the provisions set forth below.
 - a. Except as provided in subparagraph (b) immediately below, in the event that Respondent fails to timely and fully complete any part of the SEP, including failing to spend the minimum amount of **Five Thousand Four Hundred Eighty-Four Dollars (\$5,484)** for the SEP, Respondent shall pay a stipulated penalty to

the United States in the amount of the difference between **Five Thousand Four Hundred Eighty-Four Dollars (\$5,484)** and the amount actually spent.

- b. If the SEP is not fully and timely completed, but the Complainant determines that Respondent made good faith and timely efforts to complete the SEP and certifies, with supporting documentation, that at least 90 percent of the minimum amount of money which was required to be spent was expended on the SEP, Respondent shall not be liable for any stipulated penalty.
- c. If the SEP is fully and timely completed, and Respondent expended at least 90 percent of the minimum amount of money required to be spent for the SEP, Respondent shall not be liable for any stipulated penalty.
- d. For failure to timely submit any Periodic Report required by paragraph 36(a) above, Respondent shall pay a stipulated penalty in the amount of **One Hundred Dollars (\$100)** for each day the report is late.
- e. For failure to timely submit a SEP Completion Report required by paragraph 36(b) above, Respondent shall pay a stipulated penalty in the amount of **One Hundred Dollars (\$100)** for each day the report is late.
- f. The determination of whether the SEP has been satisfactorily completed and whether the Respondent has made a good faith, timely effort to implement the SEP shall be in the sole discretion of EPA.
- g. Respondent shall pay stipulated penalties not more than fifteen (15) days after receipt of written demand by EPA for such penalties. The method of payment shall be in accordance with the provisions of paragraphs 43 and 44 below.

42. Respondent certifies that, as of the date this CAFO is signed, Respondent is not required to perform any part of the SEP by any federal, state or local law, regulation, permit or order, or by any agreement or grant. Respondent further certifies that it has not received, and is not negotiating to receive, credit for any part of the SEP in any other enforcement action of any kind.
43. For Federal Income Tax purposes, Respondent agrees that it will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the SEP.
44. Any public statement, oral or written, made by Respondent making reference to the SEP shall include the following language, "This project was undertaken in connection with the settlement of an enforcement action taken by the U.S. Environmental Protection Agency for violations of Section 12 of FIFRA, 7 U.S.C. § 136j."
45. Complainant and Respondent shall bear their own costs and attorney fees in this matter.
46. This CAFO shall be binding upon the Respondent, its successors and assigns.
47. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and legally binds that party to this CAFO.

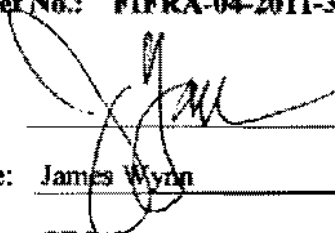
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VII. Effective Date


34. The effective date of this CAFO shall be the date on which the CAFO is filed with the Regional Hearing Clerk.

AGREED AND CONSENTED TO:

Respondent: Solutions USA, Inc.
Docket No.: FIFRA-04-2011-3005(b)

By:  Date: 4/27/11
Name: James Wynn
Title: CEO/Owner

Complainant: U.S. Environmental Protection Agency

By:  Date: 5/9/11
Beverly H. Banister, Director
Air, Pesticides and Toxics
Management Division

APPROVED AND SO ORDERED this 1st day of June, 2011.

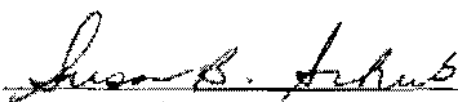
By:  Date: 6/1/11
Susan B. Schub
Regional Judicial Officer

Exhibit A

Scope of Work For Supplemental Environmental Project Solutions USA, Inc.

Scope of Work

July 27, 2010

Patricia Livingston
US EPA Region 4
SNAFC - 12th Floor
61 Forsyth St SW
Atlanta, GA 30303-8960

SEP Proposal

We propose to provide cleaning supplies including bleach to the St. Bernard Project as a donation for their mission to rebuild after homes in the New Orleans area. They have rebuilt 290 homes already and have 50 they are working on currently. They gut the buildings to the studs and clean the mold and add preventive to keep it from coming back. The St. Bernard Project is a 501C non-profit organization.

We will provide the following to complete this SEP which will take 6 months to finish.

Rent on Storage Building	\$498.00
Freight to Louisiana	\$328.00
Labor	\$704.00
Travel	\$1236.00
Product	\$4162.56
Total	\$6928.56

Penalty Amount \$1,828

We look forward to working with the St Bernard Project and resolving this matter at the same time.

Sincerely,



Jim Wynn
Tech Director
Solutions USA

NPIRS Public


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Product Report

Number of Selected Products: 1


-  Represents a link to view USEPA/OPP Label Images (tiff format).
-  Represents a link to additional chemical information.

IOMAX HOUSE CLEANER AND MILDEW KILLER

Registration Number: 69587-1 

Firm Number: 69587
RUSI-CLEUM CORP
11 HAWTHORN PARKWAY
VERNON HILLS IL 60061
847/367-7700

Status: Active
Approval Date: 04-16-81
Product Manager: Jacqueline Campbell-McFarlane (703)308-6416

Percent	Active Ingredient
0.2500	Sodium <i>o</i> -phenylphenate (64104) 



Rotten stick covered in lichen and orange fungus - detail

Contact NPIRS for more detailed product info available through custom searching or subscription

CERTIFICATE OF SERVICE

I hereby certify that on the date set out below, I filed the original and one copy of the foregoing Consent Agreement and Final Order and served a true and correct copy of the foregoing Consent Agreement and Final Order, In the Matter of Solutions USA, Inc., Docket Number: FIFRA-04-2011-3005(b), to the addressees listed below.

James Wynn, CEO/Owner
Solutions USA, Inc.
139 Altama Connector #417
Brunswick, GA 31525-1881

(via Certified Mail, Return Receipt Requested)

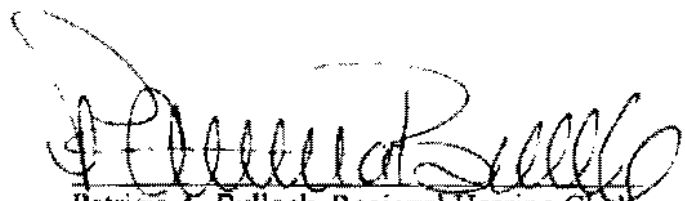
Patricia Livingston
Pesticides Section
U.S. EPA Region 4
61 Forsyth Street
Atlanta, GA 30303

(via EPA's internal mail)

Robert Caplan
Associate Regional Counsel
Office of Environmental Accountability
U.S. EPA Region 4
61 Forsyth Street
Atlanta, GA 30303

(via EPA's internal mail)

Date: 6-1-11



Patricia A. Bullock, Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 4
Atlanta Federal Center
61 Forsyth Street
Atlanta, GA 30303
(404) 562-9511

EPA ACCOUNTS RECEIVABLE CONTROL NUMBER FORM

TO BE COMPLETED BY THE ORIGINATING OFFICE:

(Attach a copy of the final order and transmittal letter to Defendant/Respondent)

This form was originated by: Saundl Wilson on 5/17/11
(Name) (Date)

in the Region 4, ORC, OEA at (404) 562-9504
(Office) (Telephone Number)

Non-SF Judicial Order/Consent Decree
USAO COLLECTS

Administrative Order/Consent Agreement
FMO COLLECTS PAYMENT

SF Judicial Order/Consent Decree
DOJ COLLECTS

Oversight Billing - Cost Package required:
Sent with bill

Not sent with bill

Other Receivable

Oversight Billing - Cost Package not required

This is an original debt

This is a modification

PAYEE: Solutions USA Inc
(Name of person and/or Company/Municipality making the payment)

The Total Dollar Amount of the Receivable: \$ 1828
(If installments, attach schedule of amounts and respective due dates. See Other side of this form.)

The Case Docket Number: FIFTH of 2011 3005(b)

The Site Specific Superfund Account Number: _____

The Designated Regional/Headquarters Program Office: _____

The IFMS Accounts Receivable Control Number is: _____ Date: _____

If you have any questions, please call: _____ of the Financial Management Section at: _____

DISTRIBUTION:

A. **JUDICIAL ORDERS:** Copies of this form with an attached copy of the front page of the **FINAL JUDICIAL ORDER** should be mailed to:

- | | |
|--|------------------------------|
| 1. Debt Tracking Officer
Environmental Enforcement Section
Department of Justice RM 1647
P.O. Box 7611, Benjamin Franklin Station
Washington, D.C. 20044 | 2. Originating Office (EAD) |
| | 3. Designated Program Office |

B. **ADMINISTRATIVE ORDERS:** Copies of this form with an attached copy of the front page of the Administrative Order should be to:

- | | |
|---------------------------|------------------------------|
| 1. Originating Office | 3. Designated Program Office |
| 2. Regional Hearing Clerk | 4. Regional Counsel (EAD) |