



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

APR 21 2015

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nickolas Steles
Attorney at Law
Law Offices of Nickolas J. Steles, P.C.
106 East 2nd Street
Tuscumbia, Alabama 35674

Re: CJH, Inc., d/b/a Ginesis
Ratified Consent Agreement and Final Order
Docket No. FIFRA-04-2015-3126(b)

Dear Mr. Steles:

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.

Please refer to Section V of the CAFO for penalty information and payment requirements. To ensure proper processing, the respondent name and docket number for this case, identified above and in the CAFO, should be noted on any cashier's or certified check submitted in payment of the penalty.

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 any environmental enforcement actions taken by the U.S. Environmental Protection Agency. Where used in the document "SEC" refers to the Securities and Exchange Commission. Should you have any questions about this matter or your compliance status in the future, please contact Ms. Melba Table of the EPA Region 4 staff at (404) 562-9086.

Sincerely,

A handwritten signature in blue ink, appearing to read "Anthony G. Toney".

Anthony G. Toney
Chief
Chemical Safety and Enforcement Section

Enclosures

cc: State Agency: ALDAI

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA, GEORGIA

RECEIVED
EPA REGION IV

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HEALTH AND CLERK

In the Matter of:)
)
CJH, Inc. d/b/a)
Ginesis Products and)
Ginesis Natural Products)
)
Respondent.)
_____)

Docket No.: FIFRA-04-2015-326(b)

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, 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. Respondent is CJH, Inc., d/b/a Ginesis Products and Ginesis Natural Products.
2. The authority to take action under Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), is vested in the Administrator of the EPA. The Administrator of the 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 this authority to the Director, Air, Pesticides and Toxics Management Division, by EPA Region 4 Delegation 5-14, dated September 7, 2005. Pursuant to that Delegation, the Director of the Air, Pesticides and Toxics Management Division has the authority to commence an

enforcement action as the Complainant in this matter, and has the authority to sign Consent Agreements memorializing settlements between the EPA and Respondent.

3. 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

4. Pursuant to 40 C.F.R. § 22.5(c)(4) the following individual is authorized to receive service for the EPA in this proceeding:

Melba Table
Pesticides Section
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960
(404) 562-9086.

5. Respondent is CJH, Inc., d/b/a Ginesis Products and Ginesis Natural Products, an Alabama corporation, located at 2600 County Road 5, Florence, AL 35633.
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.

III. Specific Allegations

7. On or about October 19, 2010, an authorized representative of the EPA conducted an inspection at Respondent's facility located at 2600 County Road 5, Florence, AL 35633.

8. At the time of the inspection, the inspector observed the following products at the Respondent's facility and also collected shipping records: Eradicator Enzymatic Laundry Enhancement, Eradicator Enzyme Laundry Treatment, Eradicator Concentrate and Eradicator (Ready to use).
9. The label on the Eradicator Enzymatic Laundry Enhancement bore the claims: "Removes fecal matter, urine, blood and their bacteria" and "Inhibits bacterial growth."
10. The label on the Eradicator Enzyme Laundry Treatment bore the claims: "The Green Personal Pest Control Routine," "Only ERADICATOR attacks the bed bug's exoskeleton eradicating the bug without toxic pesticides," and "Regular use of ERADICATOR eliminates dust mites and allergens."
11. The label on the Eradicator Concentrate bore the claims "The Green Personal Pest Control Routine," "Eradicates insects on contact," "Only ERADICATOR attacks the bed bug's exoskeleton, eradicating the bug without toxic pesticides," and "Regular use of ERADICATOR eliminates dust mites and their allergens."
12. The label on the Eradicator (Ready to use) bore the claims: "Bed Bug & Dust Mite ERADICATOR," "The Green Personal Pest Control Routine," and "Eradicates insects on contact."
13. Active ingredients identified on the Eradicator Enzymatic Laundry Enhancement product label were not on the exempted products active ingredients list at 40 C.F.R. § 152.25(f).
14. The labels on the Eradicator Laundry Treatment, Eradicator Concentrate and Eradicator (Ready to use) containers bore false or misleading statements.

15. Therefore, at the time of the inspection, the products referenced above did not qualify for the minimum risk pesticide exemption under Section 25(b) of FIFRA, 7 U.S.C., § 136w(b), and 40 C.F.R. § 152.25(f).
16. The labels for Eradicator Enzymatic Laundry Enhancement, Eradicator Enzyme Laundry Treatment, Eradicator Concentrate and Eradicator (Ready to use) bore pesticidal claims, and the active ingredients listed on the Eradicator Enzymatic Laundry Enhancement product label did not meet the requirements under Section 25(b). Therefore, these products were “pesticides” at the time of the inspection, 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.
17. 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).
18. 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.
19. Pesticides that are sold and distributed in the United States are required to be registered with the EPA, pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

20. At the time of the inspection, Eradicator Enzymatic Laundry Enhancement, Eradicator Enzyme Laundry Treatment, Eradicator Concentrate and Eradicator (Ready to use) were not registered as pesticides with the EPA.
21. 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.
22. Respondent violated Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), on at least four occasions and is therefore subject to the assessment of civil penalties under Section 14 of FIFRA, 7 U.S.C. § 136l.
23. At the time of the inspection, the inspector observed and photographed an area where it appeared that the Respondent was producing one or more of the aforementioned products. Respondent produced pesticidal products in an establishment that was not registered with the Administrator of EPA as a pesticide producing establishment.
24. 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.
25. Respondent violated Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L), on at least one occasion and is therefore subject to the assessment of a civil penalty under Section 14(a) of FIFRA, 7 U.S.C. § 136l.
26. 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.

27. Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), requires the 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.
28. 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 **NINETEEN THOUSAND SEVEN HUNDRED DOLLARS (\$19,700)** 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

29. 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.
30. 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.
31. Respondent consents to the assessment of the penalty proposed by the EPA and agrees to pay the civil penalty as set forth in this CAFO.
32. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of FIFRA.
33. Compliance with this CAFO shall 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 the 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.

34. 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

35. Respondent is assessed a civil penalty of **NINETEEN THOUSAND SEVEN HUNDRED DOLLARS (\$19,700)** which shall be paid within 30 days from the effective date of this CAFO.
36. Respondent shall remit the penalty by either a cashier's or certified check made payable to the "Treasurer, United States of America," and shall send the penalty payment by one of the methods below. **The check shall reference on its face the name of the Respondent and Docket Number of this CAFO.**

Address for payment submittal using the United States Postal Service (excluding USPS overnight mail):

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

Address for payments by USPS overnight mail or other delivery service (e.g., Federal Express, United Parcel Service, DHL, etc.):

U.S. Environmental Protection Agency
Government Lockbox 979077
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, Missouri 63101
Contact Number: (314) 425-1818.

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

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

Melba Table
Pesticides Section
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960; and

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

38. 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.
39. Pursuant to 31 U.S.C. § 3717, the 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 effective date 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.

40. Complainant and Respondent shall bear their own costs and attorney fees in this matter.
41. This CAFO shall be binding upon the Respondent, its successors and assigns. 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 hereby legally binds that party to it.

The remainder of this page intentionally left blank.

VI. Effective Date

42. 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: CJH, Inc. d/b/a Ginesis Products and Ginesis Natural Products

Docket No.: FIFRA-04-2015-3126(b)

By: Jeff Hester (Signature) Date: 3-18-15

Name: Jeff Hester (Typed or Printed)

Title: President (Typed or Printed)

Complainant: U.S. Environmental Protection Agency

By: Carol G. Kemper for Date: 4/6/15
Beverly H. Banister, Director
Air, Pesticides and Toxics
Management Division

APPROVED AND SO ORDERED this 16 day of April 2015.

Carol F. Baschon
Carol F. Baschon
Acting Regional Judicial Officer

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 CHJ, Inc. d/b/a Ginesis Products and Ginesis Natural Products Docket Number: FIFRA-04-2015-3126(b), to the addressees listed below:

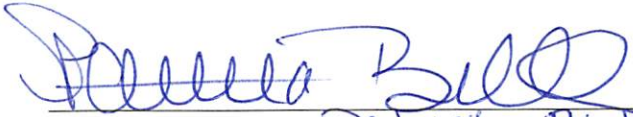
Mr. Nickolas Steles (via Certified Mail, Return Receipt Requested)
Attorney at Law
Law Offices of Nickolas J. Steles, P.C.
106 East 2nd Street
Tuscumbia, Alabama 35674

Melba Table (via EPA's internal mail)
Pesticides Section
U.S. EPA Region 4
61 Forsyth Street
Atlanta, Georgia 30303

Michi Kono (via EPA's internal mail)
Attorney
Office of Environmental Accountability
U.S. EPA Region 4
61 Forsyth Street
Atlanta, Georgia 30303

Robert Caplan (via EPA's internal mail)
Senior Attorney
Office of Environmental Accountability
U.S. EPA Region 4
61 Forsyth Street
Atlanta, Georgia 30303

Date: 4-21-15


~~Carol F. Baschon~~ Patricia A. Bullock
~~Acting Regional Judicial Officer~~
Regional Hearing Clerk