



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

SEP - 9 2014

**CERTIFIED MAIL 7009 1680 0000 7672 1929**

**RETURN RECEIPT REQUESTED**

REPLY TO THE ATTENTION OF:

Francis X. Lyons, Esquire  
Schiff Hardin LLP  
233 South Wacker Drive  
Suite 6600  
Chicago, Illinois 60606

Re: Crane Composites, Inc.  
EPA ID No.: INR 000 104 919  
Docket No: **RCRA-05-2014-0012**

Dear Mr. Lyons:

Enclosed, please find an original signed fully-executed Consent Agreement and Final Order (CAFO) in resolution of the above-referenced case. Both originals were filed with the Regional Hearing Clerk on September 9, 2014.

Please have your client pay the civil penalty of \$48,856 in the manner prescribed in paragraphs 52 and 53 of this CAFO, and reference all checks with the docket number **RCRA-05-2014-0012**

Also, enclosed is a *Notice of Securities and Exchange Commission Registrant's Duty to Disclose Environmental Legal Proceedings*.

Thank you for your cooperation in resolving this matter.

Sincerely,

Terence Stanuch  
Associate Regional Counsel

Enclosures

cc: Nancy Johnston, Indiana Department of Environmental Management (w/CAFO)

## **NOTICE OF SECURITIES AND EXCHANGE COMMISSION REGISTRANTS' DUTY TO DISCLOSE ENVIRONMENTAL LEGAL PROCEEDINGS**

Securities and Exchange Commission regulations require companies registered with the SEC (e.g., publicly traded companies) to disclose, on at least a quarterly basis, the existence of certain administrative or judicial proceedings taken against them arising under Federal, State or local provisions that have the primary purpose of protecting the environment. Instruction 5 to Item 103 of the SEC's Regulation S-K (17 CFR 229.103) requires disclosure of these environmental legal proceedings. For those SEC registrants that use the SEC's "small business issuer" reporting system, Instructions 1-4 to Item 103 of the SEC's Regulation S-B (17 CFR 228.103) requires disclosure of these environmental legal proceedings.

If you are an SEC registrant, you have a duty to disclose the existence of pending or known to be contemplated environmental legal proceedings that meet any of the following criteria (17 CFR 229.103(5)(A)-(C)):

- A. Such proceeding is material to the business or financial condition of the registrant;
- B. Such proceeding involves primarily a claim for damages, or involves potential monetary sanctions, capital expenditures, deferred charges or charges to income and the amount involved, exclusive of interest and costs, exceeds 10 percent of the current assets of the registrant and its subsidiaries on a consolidated basis; or
- C. A governmental authority is a party to such proceeding and such proceeding involves potential monetary sanctions, unless the registrant reasonably believes that such proceeding will result in no monetary sanctions, or in monetary sanctions, exclusive of interest and costs, of less than \$100,000; provided, however, that such proceedings which are similar in nature may be grouped and described generically.

Specific information regarding the environmental legal proceedings that must be disclosed is set forth in Item 103 of Regulation S-K or, for registrants using the "small business issuer" reporting system, Item 103(a)-(b) of Regulation S-B. If disclosure is required, it must briefly describe the proceeding, "including the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceedings and the relief sought."

You have been identified as a party to an environmental legal proceeding to which the United States government is, or was, a party. If you are an SEC registrant, this environmental legal proceeding may trigger, or may already have triggered, the disclosure obligation under the SEC regulations described above.

This notice is being provided to inform you of SEC registrants' duty to disclose any relevant environmental legal proceedings to the SEC. This notice does not create, modify or interpret any existing legal obligations, it is not intended to be an exhaustive description of the legally applicable requirements and it is not a substitute for regulations published in the Code of Federal Regulations. This notice has been issued to you for information purposes only. No determination of the applicability of this reporting requirement to your company has been made by any governmental entity. You should seek competent counsel in determining the applicability of these and other SEC requirements to the environmental legal proceeding at issue, as well as any other proceedings known to be contemplated by governmental authorities.

If you have any questions about the SEC's environmental disclosure requirements, please contact the SEC Office of the Special Senior Counsel for Disclosure Operations at (202) 942-1888.

Bcc: Terence Stanuch, ORC (C-14J) (w/CAFO)  
Sheila Burrus, LR-8J (w/CAFO)  
Section Copy (w/CAFO)  
Official File (w/CAFO)

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5**

**IN THE MATTER OF:** )  
 )  
**CRANE COMPOSITES, INC** )  
**GOSHEN, INDIANA,** )  
**U.S. EPA ID No. INR 000 104 919** )  
**RESPONDENT.** )  
\_\_\_\_\_ )

**Docket No.** RCRA-05-2014-0012  
**Proceeding to Commence and Conclude  
an Action to Assess a Civil Penalty  
Under Section 3008(a) of the Resource  
Conservation and Recovery Act,  
42 U.S.C. § 6928(a)**



**CONSENT AGREEMENT AND FINAL ORDER**

**PRELIMINARY STATEMENT**

1. This is an administrative action commenced and concluded under Section 3008(a) of the Solid Waste Disposal Act, as amended, also known as the Resource Conservation and Recovery Act, as amended (RCRA), 42 U.S.C. § 6928(a), and sections 22.13(b) and 22.18(b)(2) and (3) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules) as codified at 40 C.F.R. Part 22.
2. Complainant is the Director of the Land and Chemicals Division, United States Environmental Protection Agency (U.S. EPA), Region 5.
3. U.S. EPA provided notice of commencement of this action to the State of Indiana pursuant to Section 3008(a)(2) of RCRA, 42 U.S.C. § 6928(a)(2).
4. Jurisdiction for this action is conferred upon U.S. EPA by Sections 2002(a)(1), 3006(b) and 3008 of RCRA, 42 U.S.C. §§ 6912(a)(1), 6926(b), and 6928.
5. Respondent is Crane Composites, Inc. of Goshen, Indiana, a corporation doing business in the State of Indiana and incorporated in the State of Delaware.

6. According to 40 C.F.R. § 22.13(b), where the parties agree to settle one or more causes of action before the filing of a complaint, an administrative action may be commenced and concluded simultaneously by the issuance of a consent agreement and final order (CAFO).

7. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.

8. Respondent consents to the terms of this CAFO, including the assessment of the civil penalty specified below.

#### **JURISDICTION AND WAIVER OF RIGHT TO HEARING**

9. Jurisdiction for this action is conferred upon U.S. EPA by sections 202(a)(1), 3006(b), and 3008 of RCRA, 42 U.S.C. §§ 6912(a)(1), 6926(b), and 6928.

10. Respondent admits the jurisdiction allegations in this CAFO and neither admits nor denies the factual allegations in this CAFO.

11. Upon the effective date of this CAFO, Respondent waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any rights to contest the allegations in this CAFO, and its right to appeal this CAFO.

12. Respondent certifies that it is complying with RCRA, 42 U.S.C. §§ 6901-6939e, the regulations at 40 C.F.R. §§ 260.1-279.82 and the federally-authorized Indiana corollaries to the federal regulations.

#### **STATUTORY AND REGULATORY BACKGROUND**

13. U.S. EPA has promulgated regulations, codified at 40 C.F.R. Parts 260 through 279, governing generators and transporters of hazardous waste and facilities that treat, store, and dispose of hazardous waste, pursuant to Sections 3002, 3003, and 3004 of RCRA, 42 U.S.C. §§ 6922, 6923, and 6924.

14. Pursuant to Section 3006 of RCRA, 42 U.S.C. § 6926, the Administrator of U.S. EPA may authorize a state to administer the RCRA hazardous waste program in lieu of the federal program when the Administrator finds that the state program meets certain conditions. Any violation of regulations promulgated pursuant to Subtitle C (Sections 3001-3023 of RCRA, 42 U.S.C. §§ 6921-6939e) or any state provision authorized pursuant to Section 3006 of RCRA, constitutes a violation of RCRA, subject to the assessment of civil penalties and issuance of compliance orders as provided in Section 3008 of RCRA, 42 U.S.C. § 6928.

15. Pursuant to Section 3006(b) of RCRA, 42 U.S.C. § 6926(b), the Administrator of U.S. EPA granted the State of Indiana final authorization to administer a state hazardous waste program in lieu of the federal government's base RCRA program effective January 31, 1986. 51 Fed. Reg. 3778 (January 31, 1986).

16. Under Section 3008(a) of RCRA, 42 U.S.C. § 6926(a), U.S. EPA may issue an order assessing a civil penalty for any past or current violation, requiring compliance immediately or within a specified period of time, or both.

17. The Administrator of U.S. EPA may assess a civil penalty of up to \$25,000 per day for each violation of Subtitle C of RCRA according to Section 3008 of RCRA, 42 U.S.C. § 6928. The Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701, required U.S. EPA to adjust its penalties for inflation on a periodic basis. Pursuant to the Civil Monetary Penalty Inflation Adjustment Rule, published at 40 C.F.R. Part 19, U.S. EPA may assess a civil penalty of up to \$37,500 per day for each violation of Subtitle C of RCRA that occurred after January 12, 2009.

## **FACTUAL ALLEGATIONS AND ALLEGED VIOLATIONS**

18. Respondent was and is a “person” as defined by 329 IAC 3.1-7-1, 40 C.F.R. § 260.10, and Section 1004(15) of RCRA, 42 U.S.C. § 6903(15).
19. Respondent is an “owner” or “operator,” as those terms are defined under 329 IAC 3.1-7-1 and 40 C.F.R. § 260.10, of a facility located at 2424 East Kercher Road, Goshen, Indiana, that manufactures composite fiberglass sidewall panels for motor homes (recreational vehicles) and composite floors for the transportation market (the “Facility”).
20. Respondent’s Facility is a “facility,” as that term is defined under 329 IAC 3.1-7-1 and 40 C.F.R. § 260.10.
21. At all times relevant to this matter, Respondent’s Facility consisted of land and structures, other appurtenances, and improvements on the land, used for treating, storing, or disposing of hazardous waste.
22. On July 17, 2013, the U.S. EPA conducted a Compliance Evaluation Inspection of the Facility.
23. On August 5, 28 and 29, 2013, and September 18, 2013, Respondent submitted via email additional information subsequent to U.S. EPA’s inspection.
24. On November 15, 2013, U.S. EPA issued a Notice of Violation to Respondent alleging certain violations of RCRA discovered during U.S. EPA’s inspection.
25. On December 17, 2013, Respondent submitted to U.S. EPA a written response to the Notice of Violation.
26. On or about February 22, 2012, Respondent submitted its most recent Hazardous Waste Notification to the Indiana Department of Environmental Management for the Facility.

27. In its Hazardous Waste Notification, Respondent identified itself as a large quantity generator.

28. At all times relevant to this matter, the State of Indiana had not issued a permit to Respondent to treat, store, or dispose of hazardous waste at its Facility.

29. At all times relevant to this matter, Respondent did not have interim status for the treatment, storage, or disposal of hazardous waste at its Facility.

**Count 1: Storage of Hazardous Waste over 90 Days Without a Permit**

30. Pursuant to 3005(a) of RCRA, 42 U.S.C. § 6925(a) and the regulations at 329 IAC 3.1-7-1, 40 C.F.R. § 262.34(b) and Part 270, the treatment, storage, or disposal of hazardous waste by any person who has not applied for or received a permit is prohibited.

31. Respondent's fiberglass manufacturing process generates a waste stream consisting of spent acetone mixed with resin and gelcoat, and a waste stream consisting of solids contaminated with acetone, resin and gelcoat.

32. At the time of U.S. EPA's July 17, 2013 inspection, Respondent was storing twenty-three 55-gallon drums of spent acetone mixed with resin and gelcoat that were marked with accumulation start dates between March 20, 2013 and April 16, 2013.

33. At the time of U.S. EPA's July 17, 2013 inspection, Respondent was storing two 55-gallon drums of solids contaminated with acetone, resin and gelcoat marked with accumulation start dates of March 22, 2013 and April 4, 2013.

34. Respondent sent an email to U.S. EPA on July 19, 2013 containing the hazardous waste manifest, number 0001587756 MWI, which was used as the shipping document for the twenty-five 55-gallon drums described in paragraphs 32 and 33 above.



35. The shipping date on hazardous waste manifest number 0001588756 MWI was July 19, 2013. The manifest identified the twenty-three drums of spent acetone mixed with resin and gelcoat as waste flammable liquids with waste codes F003, D001 and D035. The manifest also identified the two drums of solids contaminated with acetone, resin and gelcoat as waste solids containing flammable liquid with waste codes D001 and F003.

36. According to 329 IAC 3.1-6-1 and 40 C.F.R. § 261.21, the hazardous waste number D001 indicates the characteristic of ignitability.

37. According to 329 IAC 3.1-6-1 and 40 C.F.R. § 261.31, the hazardous waste number F003 indicates a listed hazardous waste.

38. According to 329 IAC 3.1-6-1 and 40 C.F.R. § 261.24, the hazardous waste number D035 indicates the characteristic of toxicity for methyl ethyl ketone.

39. Based on the above, Respondent stored hazardous waste in 55-gallon containers between 109 and 121 days without a hazardous waste storage permit, in violation of 329 IAC 3.1-7-1, 40 C.F.R. § 262.34(b) and Part 270.

**Count 2: Storage of Hazardous Waste Without a Permit or Interim Status**

40. Pursuant to 329 IAC 3.1-7-1 and 40 C.F.R. § 262.34(a), and subject to certain exceptions, a generator of hazardous waste may accumulate hazardous waste on-site for 90 days or less without having a permit or interim status, provided that the generator complies with all applicable conditions set forth in 329 IAC 3.1-7-1 and 40 C.F.R. § 262.34(a) including, but not limited to, requirements for owners and operators in 329 IAC 3.1-10-1.

41. At all times relevant to this matter, Respondent failed to satisfy the following conditions for maintaining its exemption from the requirement to have an operating permit.

**(a) Failure to submit a copy of the contingency plan to local emergency authorities**

42. In order for a generator of hazardous waste to maintain its exemption from the requirement to have an operating permit, a generator must submit a copy of the facility contingency plan to the local police department, fire department, hospital and state and local emergency response teams. 329 IAC 3.1-7-1, 40 C.F.R. §§ 262.34(a)(4) and 265.53(b).

43. At the time of the U.S. EPA July 17, 2013 inspection, Respondent had not submitted a copy of the facility contingency plan to the local police department, fire department, hospital and state and local emergency response teams.

44. Respondent, therefore, failed to satisfy this condition for maintaining its exemption from the requirement that it have an operating permit or interim status, in violation of 329 IAC 3.1-7-1, 40 C.F.R. §§ 262.34(a)(4) and 265.53(b).

**(b) Failure to list the correct home address and phone number of alternate emergency coordinator.**

45. In order for a generator of hazardous waste to maintain its exemption from the requirement to have an operating permit, a generator must list the home address and phone number of alternate emergency coordinator. 329 IAC 3.1-7-1, 40 C.F.R. §§ 262.34(a)(4) and 264.52(d).

46. At the time of the U.S. EPA July 17, 2013 inspection, Respondent's contingency plan did not list the correct home address and home phone number of the alternate emergency coordinator.

47. Respondent, therefore, failed to satisfy this condition for maintaining its exemption from the requirement that it have an operating permit or interim status, in violation of 329 IAC

3.1-7-1, 40 C.F.R. §§ 262.34(a)(4) and 264.52(d).

**(c) Failure to implement an adequate training program**

48. In order for a generator of hazardous waste to maintain its exemption from the requirement to have an operating permit, a generator must: (1) provide documentation showing that appropriate facility personnel successfully completed the hazardous waste training program required within six months after the effective date of their employment; (2) provide documentation showing that appropriate facility personnel took part in an annual review of the initial training required for the year 2010; (3) provide documentation showing that all other facility personnel that handle and/or manage hazardous waste took part in an annual review of the initial training required; and (4) provide job descriptions for its employees that handle and/or manage hazardous waste. 329 IAC 3.1-7-1, 40 C.F.R. §§ 262.34(a)(4) and 265.16(d)(2) and (3).

49. At the time of the U.S. EPA July 17, 2013 inspection, Respondent was unable to: (1) provide documentation showing that appropriate facility personnel successfully completed the hazardous waste training program required within six months after the effective date of their employment; (2) provide documentation showing that appropriate facility personnel took part in an annual review of the initial training required for the year 2010; (3) provide documentation showing that all other facility personnel that handle and/or manage hazardous waste took part in an annual review of the initial training required; and (4) provide job descriptions for its employees that handle and/or manage hazardous waste.

50. Respondent, therefore, failed to satisfy this condition for maintaining its exemption from the requirement that it have an operating permit or interim status, in violation of 329 IAC 3.1-7-1, 40 C.F.R. §§ 262.34(a)(4) and 265.16(d)(2) and (3).

**CIVIL PENALTY**

51. Pursuant to Section 3008(a)(3) of RCRA, 42 U.S.C. § 6928(a)(3), Complainant determined that an appropriate civil penalty to settle this action is \$48,856. In determining the penalty amount, Complainant took into account the seriousness of the violation and any good faith efforts to comply with the applicable requirements. Complainant also considered U.S. EPA's RCRA Civil Penalty Policy, dated June 23, 2003.

52. Within 30 days after the effective date of this CAFO, Respondent must pay a \$48,856 civil penalty for the RCRA violations alleged herein by directing a wire transfer to:

Federal Reserve Bank of New York  
ABA = 021030004  
Account = 68010727  
SWIFT address = FRNYUS33  
33 Liberty Street  
New York NY 10045  
Field Tag 4200 of the Fedwire message should read "D 68010727  
Environmental Protection Agency"

53. Respondent also agrees to send a letter stating Respondent's name, address, the case docket number of this case, and some evidence of the wire transfer to:

Regional Hearing Clerk (E-19J)  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

Sheila Burrus (LR-8J)  
RCRA Branch  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

Terence Stanuch (C-14J)  
Office of Regional Counsel  
U.S. Environmental Protection Agency, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

54. This civil penalty is not deductible for federal tax purposes.

55. If Respondent does not timely pay the civil penalty, U.S. EPA may bring an action to collect any unpaid portion of the penalty with interest, handling charges, nonpayment penalties, and the United States' enforcement expenses for the collection action. Respondent agrees that the validity, amount and appropriateness of the civil penalty are not reviewable in a collection action.

56. Pursuant to 31 C.F.R. § 901.9, Respondent must pay the following on any amount overdue under this CAFO. Interest will accrue on any amount overdue from the date payment was due at a rate established by the Secretary of the Treasury pursuant to 31 U.S.C. § 3717(a)(1). Respondent must pay a \$15 handling charge each month that any portion of the penalty is more than 30 days past due. In addition, Respondent must pay a six percent (6%) per year penalty on any principal amount 90 days past due.

#### **GENERAL PROVISIONS**

57. This CAFO resolves Respondent's liability only for federal civil penalties for the violations and facts alleged in this CAFO.

58. This CAFO does not affect the right of the U.S. EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of the law.

59. This CAFO does not affect Respondent's responsibility to comply with RCRA and other applicable federal, state, local laws or permit.

60. This CAFO is a "final order" for purposes of 40 C.F.R. § 22.31, U.S. EPA's RCRA Civil Penalty Policy, and U.S. EPA's Hazardous Waste Civil Enforcement Response Policy (December 2003).

61. The terms of this CAFO bind Respondent, its successors, and assigns.

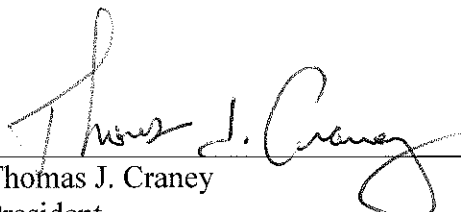
62. Each person signing this agreement certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to its terms.

63. Each party agrees to bear its own costs and attorney's fees in this action.

64. This CAFO constitutes the entire agreement between the parties.

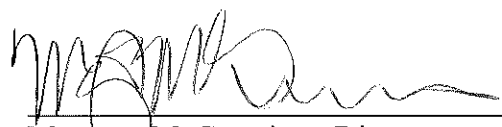
**Crane Composites, Inc., Goshen, Indiana, Respondent**

8/13/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Thomas J. Craney  
President

**United States Environmental Protection Agency, Complainant**

9/4/2014  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Margaret M. Guerriero, Director  
Land and Chemicals Division  
United States Environmental Protection Agency  
Region 5

**In the Matter of: Crane Composites, Inc., Goshen, Indiana**  
**Docket No: RCRA-05-2014-0012**

**FINAL ORDER**

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk, United States Environmental Protection Agency, Region 5. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

9-5-2014  
Date



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Susan Hedman  
Regional Administrator  
United States Environmental Protection Agency  
Region 5

Consent and Final Order  
In the Matter of: Crane Composites, Inc.

DOCKET NO: **RCRA-05-2014-0012**

**CERTIFICATE OF SERVICE**

I hereby certify that today I filed the original of this Consent Agreement and Final Order (CAFO) docket number RCRA 05 2014 0012 the Regional Hearing Clerk (E-19J), United States Environmental Protection Agency, Region 5, 77 W. Jackson Blvd., Chicago, IL 60604, and that I mailed the second original copy to Respondent by first-class, postage prepaid, certified mail, return receipt requested, by placing it in the custody of the United States Postal Service addressed as follows:

Mr. Francis X. Lyons  
Schiff Hardin LLP  
Attorneys at Law  
233 South Wacker Drive  
Suite 6600  
Chicago, Illinois 60606

I certify that I delivered a correct copy of the CAFO by intra-office mail, addressed as follows:

Regional Judicial Officer (C-14J)  
U.S. Environmental Protection Agency  
77 W. Jackson Boulevard  
Chicago, Illinois 60604

On the <sup>9<sup>th</sup></sup> day of September 2014 *Rub B. Aridge*

Ruben B. Aridge  
Office of Administrative Assistant  
United States Environmental Protection Agency  
Region V  
Land and Chemicals Division LM-8J  
77 W. Jackson Blvd, Chicago, IL 60604-3590

Certified Mail Receipt Number: 7009 1680 0000 7672 1929