



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION III  
1650 Arch Street  
Philadelphia, Pennsylvania 19103-2029

**VIA OVERNIGHT MAIL**

Mr. Sam Shah and Vijay Shah  
Zurich Management, LLC  
Rural Route 5  
Box 5202  
East Stroudsburg, PA 18301

NOV 07 2007

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EPA REGION III PHILADELPHIA

**RE: Administrative Penalty Complaint, Docket No., CAA-03-2008-0008**

Dear Messrs. Sam and Vijay Shah:

Enclosed is a Complaint and Notice of Opportunity for Hearing (“Complaint”) concerning violations by Zurich Management, LLC of Section of Section 112 of the Clean Air Act (“CAA” or “the Act”), 42 U.S.C. § 7412. The Complaint is based on violations of the asbestos National Emission Standard for Hazardous Air Pollutants (“asbestos NESHAP”), regulations pertaining to the emission, handling, and disposal of asbestos by owners or operators of a demolition or renovation activity at an affected facility, codified at 40 C.F.R. Part 61, Subpart M. The violations relate to a renovation activity at the Shannon Inn & Pub in which Zurich Management failed to provide notification of a renovation project; failed to keep asbestos wet until disposal; and failed to place asbestos in leak-tight bags. The Complaint should be read and analyzed carefully to determine the alternatives available to you in responding to the alleged violations and proposed penalty.

Unless you elect to resolve the proceeding by paying the penalty proposed in the Complaint, an Answer to this Complaint must be filed within thirty (30) days of its receipt. The Answer must specifically respond to each of the allegations in the Complaint. Failure to respond by specific Answer within 30 days of your receipt of this document will constitute an admission of the allegations made in the Complaint. Failure to answer shall result in the filing of a Motion for a Default Order and the possible issuance of a Default Order imposing the penalty proposed in the Complaint and Notice without further proceedings.

You may choose to request a hearing to contest any matter set forth in the Complaint. Such request must be included in your Answer to this Complaint. Whether or not a hearing is requested, you may request an informal settlement conference to discuss resolution of this case. A request for a settlement conference may be included in your Answer.

In addition, your company may be required to disclose to the Securities and Exchange Commission (“SEC”) the existence of certain administrative or judicial proceedings taken against your company under Federal, State or local environmental laws. Please see the enclosed

“Notice of Securities and Exchange Commission Registrants’ Duty to Disclose Environmental Legal Proceedings” for more information about this requirement and to aid you in determining whether your company is subject to it.

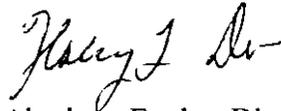
Lastly, EPA has determined that Zurich Management, LLC may be a “small business” under the Small Business Regulatory Enforcement and Fairness Act (SBREFA). Please see the enclosed “Information for Small Businesses” sheet, which provides information on compliance assistance and on contacting the SBREFA Ombudsman to comment on federal enforcement and compliance activities. Any decision to participate in such program or to seek compliance assistance does not constitute a request for a settlement conference, relieve you of your obligation to file a timely answer to the Complaint, or create for you any new rights or defenses under law. Nor will such an action affect EPA’s enforcement of the Complaint. To preserve your legal rights, you must comply with all rules governing the administrative enforcement process, as set forth in the Consolidated Rules of Practice (enclosed). The SBREFA Ombudsman does not participate in the resolution of EPA’s enforcement action.

If you are not represented by legal counsel, you may also request a settlement conference by contacting the attorney assigned to this case:

Russell S. Swan (3RC10)  
Assistant Regional Counsel  
U.S. Environmental Protection Agency  
1650 Arch Street  
Philadelphia, Pennsylvania 19103-2029

Mr. Swan can be reached by telephone at (215) 814-5387. If you are represented by legal counsel, your counsel should contact Mr. Swan.

Sincerely,



Abraham Ferdas, Director  
Waste and Chemicals Management Division

Enclosures

cc: Racine Davis  
Asbestos/Pesticides Enforcement Coordinator

Richard Ponak  
Enforcement Case Development Officer

**BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION III  
1650 Arch Street  
Philadelphia, Pennsylvania 19103-2029**

In the Matter of:	:	
	:	
Zurich Management, LLC	:	
Rural Route 5	:	Docket No. CAA-03-2008-0008
Box 5202	:	
East Stroudsburg, PA 18301,	:	
	:	<b>PROCEEDING UNDER:</b>
Respondent,	:	
	:	Section 113(a)(3) and (d) of the Clean
Shannon Inn & Pub Hotel	:	Air Act, 42 U.S.C. § 7413(a)(3) and (d)
Rural Route 5	:	
Box 5202	:	
East Stroudsburg, PA 18301,	:	<b>ADMINISTRATIVE COMPLAINT AND</b>
	:	<b>NOTICE OF OPPORTUNITY FOR</b>
Facility.	:	<b>HEARING</b>
	:	

**I. INTRODUCTION**

1. Complainant, the Division Director of the Waste and Chemicals Management Division, United States Environmental Protection Agency, Region III (“EPA” or the “Agency”) initiates this administrative action against Zurich Management, LLC (hereinafter referred to as “Respondent”), for violations of Section 112 of the Clean Air Act (“CAA” or the “Act”), as amended, 42 U.S.C. § 7412, as alleged below. The authority for issuance of this Administrative Complaint and Notice of Opportunity for Hearing (“Complaint”) is set forth in Section 113(a)(3) and (d) of the CAA, 42 U.S.C. § 7413(a)(3) and (d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, and the Revocation/Termination or Suspension of Permits (“Consolidated

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Rules”), set forth at 40 C.F.R. Part 22. The authority to issue this Complaint has been duly delegated to the signatory below.

## **II. APPLICABLE STATUTES AND REGULATIONS**

2. Section 112 of the CAA, 42 U.S.C. § 7412, requires the Administrator of EPA to publish a list of air pollutants determined to be hazardous and to promulgate regulations establishing emission standards or, where necessary, design, equipment, work practice, or operational standards for each listed hazardous air pollutant.
3. Section 114 of the CAA, 42 U.S.C. § 7414, authorizes the Administrator of EPA to require any person who owns or operates any emission source or who is otherwise subject to the requirements of the CAA to, among other things, establish and maintain such records, make such reports and provide such information as the Administrator might reasonably require to develop or determine compliance with emission standards.
4. EPA listed asbestos as a hazardous air pollutant under the authority of Section 112 of the CAA, 42 U.S.C. § 7412. Pursuant to Sections 112 and 114 of the CAA, 42 U.S.C. §§ 7412 and 7414, EPA promulgated a National Emission Standard for Asbestos (“the asbestos NESHAP”), codified at 40 C.F.R Part 61, Subpart M, Sections 61.140 - 61.157. The asbestos NESHAP includes regulations governing, inter alia, the emission, handling, and disposal of asbestos by the owner or operator of a demolition or renovation activity at an affected facility. Pursuant to Section 112(q) of the CAA, 42 U.S.C. § 7412(q), the

above referenced standards and provisions remain in full force and effect,  
notwithstanding the November 15, 1990 Clean Air Act Amendments.

5. Section 113(a)(3) and (d) of the CAA, 42 U.S.C. § 7413(a)(3) and (d), authorizes the Administrator of EPA to issue an administrative order assessing a civil administrative penalty whenever, on the basis of any information available to the Administrator, the Administrator finds that any person has violated, or is in violation of, any rule, plan, order, waiver, or permit promulgated, issued, or approved under, inter alia, Section 112 of the CAA, 42 U.S.C. § 7412.

### **III. DEFINITIONS**

6. Pursuant to 40 C.F.R. § 61.141, "asbestos" means the asbestiform varieties of serpentine (chrysotile), riebeckite (crocidolite), cummingtonite-grunerite, anthophyllite, and actinolite-tremolite.
7. Pursuant to 40 C.F.R. § 61.141, "asbestos-containing waste materials" means, in pertinent part, mill tailings or any waste that contains commercial asbestos and is generated by a source, subject to the provisions of the asbestos NESHAP, including friable asbestos waste material and materials contaminated with asbestos including disposable equipment and clothing.
8. Pursuant to 40 C.F.R. § 61.141, "Category II nonfriable asbestos-containing material ("ACM")" means, in pertinent part, any material that contains more than 1 percent

asbestos as determined using the methods specified in 40 C.F.R. Part 763, Polarized Light Microscopy, that, when dry, cannot be crumpled, pulverized, or reduced to powder by hand pressure.

9. Pursuant to 40 C.F.R. § 61.141, "demolition" means the wrecking or taking out of any load-supporting structural member of a facility together with any related handling operations or the intentional burning of any facility.
10. Pursuant to 40 C.F.R. § 61.141, "facility" means any institutional, commercial, public, industrial, or residential structure, installation, or building.
11. Pursuant to 40 C.F.R. § 61.141, "owner or operator of a demolition or renovation activity" means any person who owns, leases, operates, controls, or supervises the facility being demolished or renovated or any person who owns, leases, operates, controls, or supervises a demolition or renovation operation, or both.
12. Pursuant to 40 C.F.R. § 61.141, "renovation" means altering a facility or one or more facility components in any way, including the stripping or removal of RACM from a facility component.
13. Pursuant to 40 C.F.R. § 61.141, "regulated asbestos-containing material ("RACM")" means, in pertinent part, friable asbestos material or Category II nonfriable ACM that has a high probability of becoming or has become crumbled, pulverized, or reduced to

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powder by the forces expected to act on the material in the course of demolition or renovation operations regulated by this subpart.

14. Pursuant to 40 C.F.R. § 61.141, “strip” means to take off RACM from any part of a facility or facility components.
15. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines “person” to include “an individual, corporation, partnership, (or) association.”

#### **IV. GENERAL ALLEGATIONS**

16. Respondent is an administrative management organization that provides general management and consulting services, with a mailing address listed as Rural Route 5, Box 5202, East Stroudsburg, PA 18301.
17. The Shannon Inn & Pub (“Shannon Inn” or the “Facility”), located at Rural Route 5, East Stroudsburg, PA 18031, is a 116 guest room motel facility.
18. The Shannon Inn is owned and operated by Respondent.
19. At all times relevant to this Complaint, Shannon Inn is a “facility” as that term is defined by 40 C.F.R. § 61.141.
20. Respondent is a “person” within the meaning of Section 302(e) of the Act, 42 U.S.C. § 7602(e), and within the meaning of Section 113(d) of the Act, 42 U.S.C. § 7413(d).

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21. On October 25, 2006, a duly authorized representative of EPA (the "EPA Inspector") conducted an inspection at the Former Holiday Inn facility ("Holiday Inn"), located at Route 447, East Stroudsburg, PA 18301.
22. The Holiday Inn is adjacent to the Facility.
23. At the time of the October 25, 2006 inspection, the Holiday Inn was a multistory building with a number of rooms that had been used chiefly for overnight accommodation consistent with other hotels.
24. At the time of the October 25, 2006, inspection, the EPA inspector observed that the Holiday Inn was being demolished.
25. The EPA inspector observed that most of the Holiday Inn was still standing, but the part that had been demolished was in large piles of debris.
26. The EPA inspector observed that mixed in the Holiday Inn demolition debris was dry suspect asbestos containing transite plaster, spray on asbestos containing ceiling material, and other suspect friable Regulated Asbestos Containing Materials ("RACM"), that had been disturbed and removed during demolition of the Holiday Inn.
27. At the end of the October 25, 2006 inspection, the EPA inspector ordered that the demolition activity be halted until the RACM was properly removed from the site.
28. On October 31, 2006, the EPA inspector conducted a second inspection at the Holiday Inn.

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29. At the time of the October 31, 2006 inspection, the inspector observed that the Holiday Inn demolition site was in the same condition as it was during the October 25, 2006 inspection, and that no additional demolition had taken place.
30. On November 8, 2006, EPA issued an Administrative Compliance Order (“ACO”), ordering, among other things, that the RACM be cleaned up at the Holiday Inn demolition site.
31. On November 16, 2006, the EPA inspector conducted a third inspection at the Holiday Inn demolition site to determine compliance with the ACO issued on November 8, 2006.
32. At the time of the November 16, 2006 inspection, the EPA inspector observed that there was no demolition activity taking place at the Holiday Inn site.
33. During the November 16, 2006 inspection, the inspector observed that additional suspect RACM had been disposed of at the Holiday Inn demolition site.
34. The EPA inspector also observed that the RACM described in paragraph 33 contained a large pile of broken 9 inch by 9 inch floor tile.
35. Prior to November 16, 2006, the inspector had not observed the RACM described in paragraphs 33 and 34 at the Holiday Inn site.
36. On November 21, 2006 the EPA inspector conducted a fourth inspection at the Holiday Inn demolition site to determine the origin of the 9 inch by 9 inch floor tile RACM.

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37. During the November 21, 2006 inspection, the EPA inspector collected two (2) samples of the suspect RACM described in paragraphs 33 through 34.
38. Subsequent Transmission Electron Microscopy (“TEM”) analysis of samples collected during the November 21, 2006 inspection showed that 9 inch by 9 inch floor tile disposed of at the Holiday Inn demolition site was asbestos containing material above the 1% threshold.
39. At the time of the November 21, 2006 inspection, the EPA inspector observed that the Facility was in close proximity to the Holiday Inn demolition site.
40. During the November 21, 2006 inspection, the EPA inspector went to the Facility and spoke with Mr. Phillip Patel, who was at the front desk at the Facility, and the Facility on-site manager, Mr. Dillip Jheveri.
41. During the November 21, 2006 inspection, the EPA inspector asked both Mr. Jheveri and Mr. Patel if there had been any type of renovation work completed at the Facility.
42. During the November 21, 2006 inspection, Mr. Patel stated that some floor tile had been removed from the kitchen area at the Facility.
43. During the November 21, 2006 inspection, the EPA inspector asked to see the area where the floor tiles had been removed from the Facility.
44. During the November 21, 2006 inspection, Mr. Patel showed the inspector where the floor tiles had been removed from the Facility.

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45. During the November 21, 2006 inspection, the EPA inspector observed that there were two areas at the Facility where floor tiles had been removed.
46. During the November 21, 2006 inspection, the EPA inspector measured the kitchen area and an adjacent hallway where the floor tiles had been removed from the facility.
47. The kitchen area at the Facility measured 28 feet by 30 feet, and the adjacent hallway area measured 20 feet by 20 feet.
48. All of the floor tiles in the two areas listed in paragraph 47 had been completely removed.
49. During the November 21, 2006 inspection, Mr. Patel stated that the floor tiles that were removed the Facility in the areas described in paragraphs 45 through 47, were deposited on the Holiday Inn demolition site.
50. On November 23, 2006, the EPA inspector had a conversation with Mr. Vijay Shah concerning the “renovation” activity as that term is defined at 40 C.F.R. § 61.141, at the Facility.
51. During that conversation, the Mr. Vijay Shah stated that his maintenance person had removed floor tiles from the Facility.
52. On December 21, 2006, EPA issued an ACO to Respondent ordering the cleanup of the asbestos containing floor tiles.
53. On or about March 27, 2007, the asbestos containing floor tiles were removed from the Holiday Inn demolition site in accordance with the December 21, 2006 ACO.

54. All of the asbestos material referred to in paragraphs 34 through 38, found at the Holiday Inn demolition site, constitutes “regulated asbestos-containing material (RACM)” as that term is defined at 40 C.F.R. § 61.141.
55. The asbestos material referred to in paragraphs 34 though 38 was observed by the EPA Inspector, during the November 16, 2006 inspection to be friable, and exposed to the outside air.
56. All of the asbestos material referred to in paragraphs 34 through 38 above, was observed by the EPA Inspector, during the inspection, to be dry (neither wet nor encapsulated).
57. None of the asbestos material referred to in paragraphs 34 through 38 was enclosed in leak-tight bags.

## **V. VIOLATIONS**

### **Count I**

#### **FAILURE TO PROVIDE NOTICE**

58. Complainant realleges the allegations contained in paragraphs 1 through 57 above.
59. At some time prior to EPA’s November 21, 2006, inspection, Respondent “renovated” the Facility as that term is defined by 40 C.F.R. § 61.141.
60. 40 C.F.R. § 61.145(b) provides, in pertinent part, that each owner or operator of a demolition or renovation activity to which this section applies shall: (1) Provide the Administrator with written notice of intention to demolish or renovate. Delivery of the

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- notice by U.S. Postal Service, commercial delivery service, or hand delivery is acceptable. (2) Update notice, as necessary, including when the amount of asbestos affected changes by at least 20 percent. (3) Postmark or deliver the notice...(i) at least 10 working days before asbestos stripping or removal work or any other activity begins (such as site preparation that would break up, dislodge or similarly disturb asbestos material).
61. EPA never received written notification of Respondent's intent to renovate the Facility before the asbestos described in paragraphs 34 through 40 was stripped from the Facility.
62. Respondent's failure to comply with the requirements of 40 C.F.R. § 61.145(b) constitutes a violation of Section 112 of the CAA, 42 U.S.C. § 7412.

## **COUNT II**

### **FAILURE TO KEEP WET**

63. Complainant realleges the allegations contained in paragraphs 1 through 62 above.
64. Pursuant to 40 C.F.R. § 61.145(c)(6)(i), owners and operators of demolition or renovation activities must adequately wet all RACM, including material that has been removed or stripped, and ensure the RACM remains wet until collected and contained or treated in preparation for disposal.
65. At the time of the November 21, 2006 inspection, the EPA inspector determined that the Respondent had stripped RACM from the Facility and had failed to keep the RACM wet until it was collected for disposal.

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66. The EPA inspector observed that the suspect asbestos material that had been stripped and deposited at the Holiday Inn demolition site was dry.
67. Respondent's failure to comply with the requirements of 40 C.F.R. § 61.145(c)(6)(i) constitutes a violation of Section 112 of the CAA, 42 U.S.C. § 7412.

### **COUNT III**

#### **FAILURE TO DEPOSIT ALL RACM WASTE IN LEAK -TIGHT CONTAINERS**

68. Complainant realleges the allegations contained in paragraphs 1 through 67 above.
69. Pursuant to 40 C.F.R. § 61.150(a)(iii), all asbestos-containing waste material after wetting, shall be sealed in leak-tight containers while wet.
70. During the November 21, 2006 inspection, the inspector observed that the RACM from the Facility had been disposed of at the Holiday Inn demolition site.
71. None of the asbestos material referred to above was enclosed in leak-tight bags.
72. Respondent's failure to comply with the requirements of 40 C.F.R. § 61.150(a)(iii) constitutes a violation of Section 112 of the CAA, 42 U.S.C. § 7412.

#### **VI. PROPOSED CIVIL PENALTY**

Section 113(d) of the CAA, 42 U.S.C. § 7413(d), the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996, and the subsequent Civil Monetary Penalty Inflation Adjustment Rule, 40 C.F.R. Part 19, authorize a penalty of not more than \$32,500 for each violation of the CAA that occurred on or after March

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15, 2004. EPA proposes to assess a civil penalty of thirty six thousand, seven hundred and fifty dollars (\$36,750.00) against Respondent. The proposed penalty does not constitute a “demand” as that term is defined in the Equal Access to Justice Act, 28 U.S.C. § 2412. The proposed penalty is as follows:

**A. Gravity Component**

**A. Gravity Component**

Count I:

Failure to provide Notification  
40 C.F.R. § 61.145(b). \$ 16,500.00

Count II:

Failure to keep RACM wet  
while stripping (< 10 units)  
40 C.F.R. § 61.145(c)(6)(i). \$ 5,000.00

Count III:

Failure to RACM in leak-tight bags  
RACM (< 10 units)  
40 C.F.R. § 61.150(a)(iii). \$ 5,000.00

Size of violator: \$ 2,000.00

Subtotal: \$ 28,500.00

Inflation adjustment 1.2895 x Subtotal \$ 8,250.00

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**TOTAL PROPOSED PENALTY:**

**\$ 36,750.00**

The proposed civil penalty has been determined in accordance with Section 113 of the CAA, 42 U.S.C. § 7413; 40 C.F.R. Part 19; U.S. EPA's Clean Air Act Stationary Source Civil Penalty Policy, dated October 25, 1992 ("CAA Penalty Policy"), and Appendix III thereto ("Asbestos Penalty Policy"); Modifications to EPA Penalty Policies to Implement the Civil Monetary Penalty Inflation Rule (pursuant to the Debt Collection Improvement Act of 1996), dated May 9, 1997 ("Inflation Policy"); and the most recent Inflation Policy dated September 21, 2004, which applies to violations occurring after March 15, 2004. Copies of the CAA Penalty Policy, Asbestos Penalty Policy, and the September 21, 2004 Inflation Policy are enclosed with this Complaint. In determining the amount of any penalty to be assessed, Section 113(e) of the CAA, 42 U.S.C. § 7413(e), requires EPA to take into consideration the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and good faith efforts to comply, the duration of the violation as established by any credible evidence, payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, and the seriousness of the violation. To develop the proposed penalty herein, Complainant has taken into account the particular facts and circumstances of this case with specific reference to EPA's Asbestos Penalty Policy as well as the CAA Penalty Policy, both of which were indexed for inflation in keeping with 40 C.F.R. Part 19.

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EPA will consider, among other factors, Respondent's ability to pay to adjust the proposed civil penalty assessed in this Complaint. The proposed penalty reflects a presumption of Respondent's ability to pay the penalty and to continue in business based on the size of the business and the economic impact of the proposed penalty on the business. The burden of raising and demonstrating an inability to pay rests with Respondent. In addition, to the extent that facts or circumstances unknown to Complainant at the time of the issuance of the Complaint become known after issuance of the Complaint, such facts and circumstances may also be considered as a basis for adjusting the proposed civil penalty assessed in the Complaint.

EPA's applicable penalty policy represents an analysis of the statutory penalty factors enumerated above, as well as guidance on their application to particular cases. If the penalty proposed herein is contested through the hearing process described below, Complainant is prepared to support the statutory basis for the elements of the penalty policy applied in this case as well as the amount and nature of the penalty proposed.

The gravity component of the penalty accounts for the substantive nature of the violation. No further adjustment of the penalty appears warranted under the applicable penalty policies at this time. If appropriate, further penalty adjustments may be made during settlement negotiations. EPA reserves the right to seek higher penalties if new evidence supports such assessment.

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## VI. NOTICE OF OPPORTUNITY TO REQUEST A HEARING

Respondent has the right to request a hearing to contest any matter of law or material fact set forth in the Complaint or the appropriateness of the proposed penalty. To request a hearing, Respondent must file a written Answer to this Complaint with the Regional Hearing Clerk, U.S. EPA Region III (3RC00), 1650 Arch Street, Philadelphia, PA 19103-2029 within thirty (30) days of receipt of this Complaint. The Answer should clearly and directly admit, deny or explain each of the factual allegations contained in this Complaint of which Respondent has any knowledge. If Respondent has no knowledge of a particular factual allegation, the Answer should so state. That statement will be deemed a denial of the allegation. The Answer should contain: (1) the circumstances or arguments which are alleged to constitute the grounds of any defense; (2) the facts which Respondent disputes; (3) the basis for opposing any proposed relief; and (4) whether a hearing is requested. All material facts not denied in the Answer will be considered as admitted. A copy of the Answer and all other documents filed with the Regional Hearing Clerk related to this Complaint must be sent to Russell S. Swan (3RC10), Assistant Regional Counsel, U.S. EPA Region III, 1650 Arch Street, Philadelphia, PA, 19103-2029.

If Respondent fails to file a written Answer within thirty (30) days of receipt of this Complaint, such failure shall constitute an admission of all facts alleged in the Complaint and a waiver of the right to a hearing under Section 113 of the CAA, 42 U.S.C. § 7413. Failure to

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Answer may result in the filing of a Motion for Default Order imposing the penalties proposed herein without further proceedings.

Any hearing requested will be conducted in accordance with the provisions of the Administrative Procedure Act, 5 U.S.C. § 554, and the Consolidated Rules set forth at 40 C.F.R. Part 22. A copy of these rules is enclosed. Hearings will be held in a location to be determined at a later date pursuant to 64 Fed. Reg. 40,138 (see 40 C.F.R. § 22.21(d)).

#### VII. SETTLEMENT CONFERENCE

EPA encourages settlement of proceedings at any time after issuance of a Complaint if such settlement is consistent with the provisions and objectives of the CAA. Whether or not a hearing is requested, Respondent may confer with Complainant regarding the allegations of the Complaint and the amount of the proposed civil penalty.

In the event settlement is reached, its terms shall be expressed in a written Consent Agreement prepared by Complainant, signed by the parties, and incorporated into a Final Order signed by the Regional Administrator or his designee. Settlement conferences shall not affect the requirement to file a timely Answer to the Complaint.

The attorney assigned to this case is Russell S. Swan, Assistant Regional Counsel. If you have any questions or desire to arrange an informal settlement conference, please contact

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Mr. Swan at (215) 814-5387 before the expiration of the thirty (30) day period following your receipt of this Complaint. If you are represented by legal counsel, you must have your counsel contact Mr. Swan on your behalf. Please be advised that the Consolidated Rules at 40 C.F.R. § 22.8 prohibit any unilateral discussion of the merits of a case with the Administrator, members of the Environmental Appeals Board, Regional Administrator or the Regional Judicial Officer after the issuance of a Complaint.

#### VIII. QUICK RESOLUTION

In accordance with 40 C.F.R. § 22.18(a) of the Consolidated Rules, Respondent may resolve this proceeding at any time by paying the specific penalty proposed in this Complaint or in Complainant's prehearing exchange. If Respondent pay the specific penalty proposed in this Complaint within 30 days of receiving this Complaint, then, pursuant to 40 C.F.R. § 22.18(a)(1) of the Consolidated Rules, no Answer need be filed.

If Respondent wishes to resolve this proceeding by paying the penalty proposed in this Complaint instead of filing an Answer but need additional time to pay the penalty, pursuant to 40 C.F.R. § 22.18(a)(2) of the Consolidated Rules, the Respondent may file a written statement with the Regional Hearing Clerk within thirty (30) days after receiving this Complaint stating that Respondent agrees to pay the proposed penalty in accordance with 40 C.F.R. § 22.18(a)(1). Such written statement need not contain any response to, or admission of, the allegations in the Complaint. Such statement shall be filed with the Regional Hearing Clerk (3RC00), U.S. EPA,

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Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103-2029 and a copy shall be provided to Russell S. Swan (3RC10), Assistant Regional Counsel, U.S. EPA, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103-2029. Within 60 days of receiving the Complaint, Respondent shall pay the full amount of the proposed penalty. Failure to make such payment within 60 days of receipt of the Complaint may subject the Respondent to default pursuant to 40 C.F.R. § 22.17 of the Consolidated Rules.

Upon receipt of payment in full, in accordance with 40 C.F.R. § 22.18(a)(3) of the Consolidated Rules, the Regional Judicial Officer or Regional Administrator shall issue a final order. Payment by Respondent shall constitute a waiver of Respondent's right to contest the allegations and to appeal the final order.

Payment of the penalty shall be made by cashier's check, certified check, electronic wire transfer, Automated Clearing House ("ACH"), or an on line, internet payment as specified below. All payments also shall reference the above case caption and docket number.

All checks shall be made payable to Treasurer, United States of America and shall be mailed to the attention of:

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

*In the Matter of:*

*Zurich Management, LLC.  
Docket No: CAA-03-2008-0008*

*Administrative Complaint and Notice of  
Opportunity for Hearing*

Overnight deliveries shall be sent to:

U.S. Environmental Protection Agency  
Fines and Penalties  
ATTENTION: Natalie Pearson  
U.S. Bank  
1005 Convention Plaza  
Mail Station SL-MO-C2GL  
St. Louis, MO 63101.

All electronic wire transfer payments shall be directed 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"

Payments through ACH (also known as REX or remittance express) shall be directed to:

Automated Clearinghouse (ACH) for receiving US currency  
PNC Bank  
808 17th Street, NW  
Washington, DC 20074  
Contact – Jesse White 301-887-6548  
ABA = 051036706  
Transaction Code 22 - checking  
Environmental Protection Agency  
Account 310006  
CTX Format

*In the Matter of:*

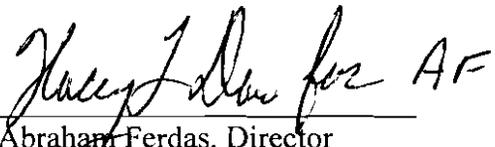
*Zurich Management, LLC.  
Docket No: CAA-03-2008-0008*

*Administrative Complaint and Notice of  
Opportunity for Hearing*

In addition, there is now an on line, internet payment option, available through the United States Department of Treasury. This payment option can be accessed from [www.pay.gov](http://www.pay.gov). Enter sfo 1.1 in the search field. Open the form and complete required fields.

All payments made by check also shall reference the above case caption and docket number, CAA-03-2008-0008. At the same time that any payment is made, copies of any corresponding check, or written notification confirming any electronic wire transfer, shall be mailed to Lydia A. Guy, Regional Hearing Clerk (3RC00), U.S. EPA, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103-2029 and to Russell S. Swan (3RC10), Assistant Regional Counsel, U.S. EPA, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103-2029.

11/6/2007  
Date

  
Abraham Ferdas, Director  
Waste and Chemicals Management Division

BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION III  
1650 Arch Street  
Philadelphia, Pennsylvania 19103-2029

In the Matter of:

Zurich Management, LLC  
Rural Route 5  
Box 5202  
East Stroudsburg, PA 18301,

Respondent,

Shannon Inn & Pub Hotel  
Rural Route 5  
Box 5202  
East Stroudsburg, PA 18301,

Facility.

Docket No. CAA-03-2008-0008

**PROCEEDING UNDER:**

Section 113(a)(3) and (d) of the Clean  
Air Act, 42 U.S.C. § 7413(a)(3) and (d)

**ADMINISTRATIVE COMPLAINT AND  
NOTICE OF OPPORTUNITY FOR  
HEARING**

2007 NOV 14 AM 10:50  
RECEIVED  
REGIONAL HEARING CLERK  
PHILADELPHIA, PA

**CERTIFICATE OF SERVICE**

I, the undersigned, hereby certify that, on the date provided below, the original and one true and correct copy of the foregoing Administrative Complaint and Notice of Opportunity for Hearing were hand-delivered to and filed with the Regional Hearing Clerk (3RC30), U.S. EPA - Region III, 1650 Arch Street, Philadelphia, PA, and that a true and correct copy was served via overnight mail to:

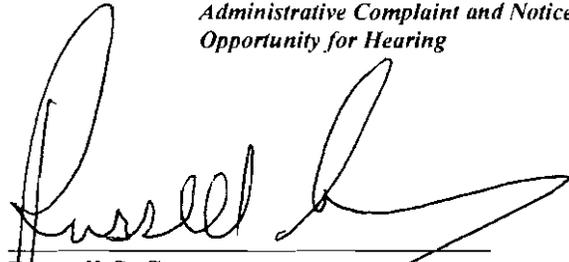
Sam and Vijay Shah  
Shannon Inn & Pub Motel c/o  
Zurich Management, LLC  
Rural Route 5  
Box 5202  
East Stroudsburg, PA 18031

*In the Matter of:*

*Zurich Management, LLC.  
Docket No: CAA-03-2008-0008*

Date: 11/7/07

*Administrative Complaint and Notice of  
Opportunity for Hearing*

A handwritten signature in black ink, appearing to read "Russell S. Swan", written over a horizontal line.

Russell S. Swan  
Assistant Regional Counsel  
U.S. EPA - Region III