



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

REPLY TO THE ATTENTION OF:

DE-9J

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Receipt #: _____

Richard Sleckman.
Crest Industries, Ltd.
1066 Industry Road
New Lenox, Illinois 60451-0085

Re: Consent Agreement and Final Order
Crest Industries, Ltd.
Docket No: RCRA-05-2005-0024

Dear Mr. Sleckman:

Enclosed please find an original signed fully-executed Consent Agreement and Final Order (CAFO) in resolution of the above case. The originals were filed on June 1, 2007 with the Regional Hearing Clerk (RHC).

Please pay the civil penalty in the amount of \$200,000 in the manner prescribed in the CAFO, and reference all checks with the number BD 2750762R003 and docket number RCRA-05-2005-0024. Your first payment is due within 30 calendar days of the effective date of the CAFO in the amount of \$20,000. 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,

A handwritten signature in black ink, appearing to read "Stephen Thorn".

Stephen Thorn
Assistant Regional Counsel

Enclosure

cc: Todd Marvel, Illinois Environmental Protection Agency

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.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

REGIONAL CLERK
2007 JUL -1 11:13:13

IN THE MATTER OF:)
)
CREST INDUSTRIES, LTD.) Docket No. RCRA-05-2005-0024
1066 INDUSTRY ROAD)
NEW LENOX, IL 60451-0085)
)
U.S. EPA ID # 096 785 217)
_____)

CONSENT AGREEMENT AND FINAL ORDER

I. PREAMBLE

On September 30, 2005, the United States Environmental Protection Agency (U.S. EPA) filed a Complaint in this matter pursuant to Section 3008(a) of the Resource Conservation and Recovery Act, as amended (RCRA), 42 U.S.C. § 6928(a), and the United States Environmental Protection Agency's Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits, 40 C.F.R. Part 22. The Complainant is the Chief, Enforcement and Compliance Assurance Branch, Waste, Pesticides and Toxics Division, Region 5, United States Environmental Protection Agency. The Respondent is Crest Industries, Ltd.

II. STIPULATIONS

The parties, desiring to settle this action, enter into the following stipulations:

1. Respondent has been served with a copy of the Administrative Complaint (Docket No. RCRA-05-2005-0024) in this matter. The Complaint is incorporated herein by reference.
2. Respondent owns and operates facilities located at 1066 Industry Road, New

Lenox, IL 60451-0085.

3. Respondent admits the jurisdictional allegations of the Complaint. Respondent agrees not to contest such jurisdiction in any proceeding to enforce the provisions of this Consent Agreement and Final Order (CAFO).

4. Respondent neither admits nor denies the specific factual allegations contained in the Complaint other than admissions made in Respondent's Answer.

5. Respondent withdraws its request for a hearing and waives any and all rights under any provisions of law to a hearing on the allegations contained in the Complaint or to challenge the terms and conditions of this CAFO.

6. If the Respondent fails to comply with any provision contained in this CAFO, Respondent waives any rights it may possess in law or equity to challenge the authority of the U.S. EPA to bring a civil action in the appropriate United States District Court to compel compliance with the CAFO or to seek an additional penalty for the noncompliance.

7. Respondent consents to the issuance of this Consent Order and to the payment of a civil penalty. Under Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), in consideration of the nature of the violations and other relevant factors, U.S. EPA has determined that a payment plan involving an initial payment of \$20,000 due on July 3, 2007, and eight subsequent payments of \$22,500 due on October 3, 2007; January 3, 2008; April 3, 2008; July 3, 2008; October 3, 2008; January 2, 2009; April 3, 2009; and July 3, 2009. Respondent agrees not to claim or attempt to claim a federal income tax deduction or credit covering all or any part of the cash civil penalty paid to the U.S. Treasury.

8. Respondent must give notice and a copy of this CAFO to any successor in interest

prior to any transfer of ownership of the facility. This CAFO is binding on Respondent and any successors in interest.

9. Pursuant to Section 3006(b) of RCRA, 42 U.S.C. § 6926(b), the Administrator of U.S. EPA granted the State of Illinois 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). The Administrator of U.S. EPA granted Illinois final authorization to administer certain HSWA and additional RCRA requirements effective March 5, 1988, 53 Fed. Reg. 126 (January 5, 1988); April 30, 1990, 55 Fed. Reg. 7320 (March 1, 1990); June 3, 1991, 56 Fed. Reg. 13595 (April 3, 1991); August 15, 1994, 59 Fed. Reg. 30525 (June 14, 1994); May 14, 1996, 61 Fed. Reg. 10684 (March 15, 1996); and October 4, 1996, 61 Fed. Reg. 40520 (August 5, 1996). The U.S. EPA-authorized Illinois regulations are codified at 35 Illinois Administrative Code (I.A.C.) Part 703 *et seq.* See also 40 C.F.R. §§ 272.700 *et seq.* The State of Illinois RCRA Program is not yet authorized to enforce the RCRA Subpart CC air emission control requirements at 40 C.F.R. §§ 265.1080 *et seq.*, and therefore those federal RCRA Subpart CC requirements apply to "existing" hazardous waste management (including storage) facilities in Illinois.

10. Nothing in this CAFO relieves Respondent from its obligation to comply with all applicable federal, state and local statutes and regulations, including the RCRA Subtitle C requirements at 40 C.F.R. Parts 260 through 270.

11. This CAFO is effective on the date it is filed with the Regional Hearing Clerk.

III. FINAL ORDER

Based on the foregoing stipulations, the Parties agree to the entry of the following Final Order:

12. Respondent shall pay the civil penalty, in the amount of \$200,000, according to the following payment plan: an initial payment of \$20,000 due on July 3, 2007, and eight subsequent payments of \$22,500 due on October 3, 2007; January 3, 2008; April 3, 2008; July 3, 2008; October 3, 2008; January 2, 2009; April 3, 2009; and July 3, 2009. Each payment shall be by cashier's or certified check payable to the "Treasurer, United States of America," and mailed to the following address:

U.S. EPA - Region 5
P. O. Box 371531
Pittsburgh, PA 15251-7531

13. The name of the Respondent, the billing document number and the Docket Number of this proceeding must be clearly marked on the face of the check.

14. Copies of the transmittal of the payment must be sent to:

Regional Hearing Clerk
Resource Management Division (E-13J)
U.S. EPA Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

Stephen Thorn
Assistant Regional Counsel (C-14J)
U.S. EPA Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

Spiros Bourgikos
Enforcement and Compliance Assurance Branch (DE-9J)
U.S. EPA Region 5

77 West Jackson Boulevard
Chicago, Illinois 60604-3590

15. Pursuant to 31 U.S.C. § 3717, Respondent must pay the following amounts on any amount overdue under this CAFO:

(a) **Interest.** Any unpaid portion of a civil penalty must bear interest at the rate established by the Secretary of the Treasury pursuant to 31 U.S.C. § 3717(a)(1). Interest will therefore begin to accrue on a civil penalty if it is not paid by the last date required. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 31 C.F.R. § 901.9(b) on the unpaid portion of the penalty for the period of time the payment is past due.

(b) **Monthly Handling Charge.** Respondent must pay a late payment handling charge of \$15.00 on any late payment, with an additional charge of \$15.00 for each subsequent 30 calendar day period over which an unpaid balance remains.

(c) **Non-Payment Penalty.** If any portion of a civil penalty is more than 90 calendar days past due, the entire \$200,000 (less any amount already paid) becomes due and owing under this CAFO. In addition, Respondent must pay a non-payment penalty of six percent per annum, which will accrue from the date the penalty payment became due and is not paid. This non-payment is in addition to charges which accrue or may accrue under subparagraphs (a) and (b).

16. Nothing in this agreement prohibits, alters, or in any way limits U.S. EPA's ability to seek any other remedies or sanctions available by virtue of Respondent's violation of this agreement or of the statutes and regulations upon which this agreement is based, or for Respondent's violation of any applicable provision of law, except as set forth in Paragraph 17.

17. This CAFO constitutes the entire settlement between the parties of all claims for

civil and administrative penalties for the violations alleged in the Complaint, and constitutes final disposition of the Complaint filed in this case.

18. Each party must bear its own costs and attorneys' fees in the action resolved by this CAFO.

19. This CAFO terminates when U.S. EPA determines that Respondent has fully complied with all terms and conditions of this CAFO, including payment, in full, of all penalties due and owing, and U.S. EPA provides written notice to Respondent of such termination.

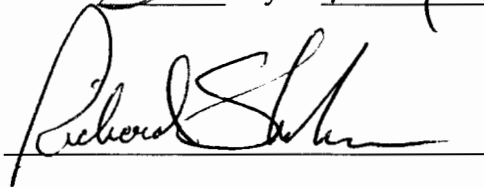
20. The information required to be maintained or submitted pursuant to this CAFO is not subject to the Paperwork Reduction Act of 1980, 44 U.S.C. §§ 3501 *et seq.*

21. Notwithstanding any other provision of this Consent Order, U.S. EPA expressly reserves any and all rights to bring an enforcement action pursuant to Section 7003 of RCRA, 42 U.S.C. § 6973, or other statutory authority should U.S. EPA find that the handling, storage, treatment, transportation, or disposal of solid waste or hazardous waste at the Facility may present an imminent and substantial endangerment to health or the environment. U.S. EPA also expressly reserves the right: (a) for any matters other than violations alleged in the Complaint, to take any action authorized under Section 3008 of RCRA; (b) for any matters other than violations alleged in the Complaint, to enforce compliance with the applicable provisions of 35 I.A.C. Part 703 *et seq.*; (c) for any matters other than violations alleged in the Complaint, to take any action under 40 C.F.R. Parts 124 and 270; and (d) to enforce compliance with this CAFO.

IV. SIGNATORIES

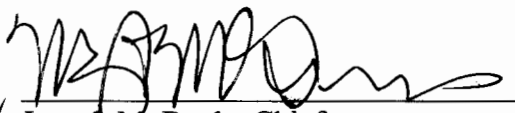
Each undersigned representative of a party to this Consent Agreement and Final Order consisting of eight pages certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Agreement and Final Order and to legally bind such party to this document.

Agreed to this 30th day of May, 2007.

By: 

Richard Sleckman
Vice President of Sales
For Crest Industries, Ltd.,
Respondent

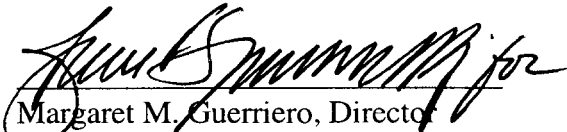
Agreed to this 29th day of May, 2007.

By: 
m

Joseph M. Boyle, Chief
Waste, Pesticides and Toxics Division
Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5,
Complainant

The above being agreed and consented to, it is so ordered

this 31 day of May, 2007.

By: 
Margaret M. Guerriero, Director
Waste, Pesticides and Toxics Division
U.S. Environmental Protection Agency, Region 5

IN THE MATTER OF:
CREST INDUSTRIES, LTD.
1066 INDUSTRY ROAD
NEW LENOX, IL 60451-0085

DOCKET NO. RCRA-05-2005-0024

RECEIVED
MAY 13 2007
REGIONAL OFFICE
EPA REGION 5
CHICAGO, ILLINOIS

CASE NAME: Crest Industries, Ltd.
DOCKET NO: RCRA-05-2005-0024

RECEIVED
REGIONAL HEARING CLERK
77 W. JACKSON BLVD
CHICAGO, IL 60604-3590
JUN 11 2007

CERTIFICATE OF SERVICE

I hereby certify that today I filed the original of this **Consent Agreement and Final Order** and this **Certificate of Service** in the office of the Regional Hearing Clerk (E-19J), United States Environmental Protection Agency, Region 5, 77 W. Jackson Boulevard, Chicago, IL 60604-3590.

I further certify that I then caused true and correct copies of the filed documents to be mailed Certified Return Receipt Requested to the following:

Return Receipt #: Richard Sleckman.
Crest Industries, Ltd.
1066 Industry Road
New Lenox, IL 60451-0085

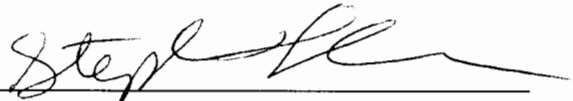
Return Receipt # 7001 0320 0006 1458 5527

And Via 1st Class Mail

Douglas B. Sanders
Baker & McKenzie, LLP
One Prudential Plaza
Chicago, IL 60604

Todd Marvel
Hazardous Waste Compliance/Enforcement
Illinois Environmental Protection Agency
P.O. Box 19276
Springfield IL, 62702-3998

Dated: 6/11/07


Stephen Thorn
Assistant Regional Counsel
Office of Regional Counsel,
United States Environmental Protection
Agency
77 W. Jackson Boulevard
Chicago, IL 60604-3590
(312) 353-9715