

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4

FILED

May 13, 2025

1:45 pm

U.S. EPA REGION 4
HEARING CLERK

In the Matter of:

CJH, Inc. d/b/a Ginesis Natural Products,

Respondent.

Docket No. FIFRA-04-2024-3020(b)

CONSENT AGREEMENT

I. NATURE OF ACTION

1. This is an administrative penalty assessment proceeding brought under Section 14(a) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA or the Act), as amended, 7 U.S.C. § 136l(a), and Sections 22.13(b) and 22.18 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 Title 40 of the Code of Federal Regulations (C.F.R.), Part 22.
2. This Consent Agreement and the attached Final Order shall collectively be referred to as the CAFO.
3. Having found that settlement is consistent with the provisions of FIFRA and applicable regulations, the Parties have agreed to settle this action pursuant to 40 C.F.R. § 22.18 and consent to the entry of this CAFO without the Respondent's admission of violation or adjudication of any issues of law or fact herein.

II. PARTIES

4. Complainant is the Director of the Enforcement and Compliance Assurance Division, United States Environmental Protection Agency, Region 4 (EPA or Agency), who has been delegated the authority on behalf of the Administrator of the EPA to enter into this CAFO pursuant to 40 C.F.R. Part 22 and Section 14(a) of FIFRA, 7 U.S.C. § 136l(a).

5. Respondent is CJH, Inc. d/b/a Ginesis Natural Products, a corporation doing business in the State of Alabama. This proceeding pertains to Respondent's facility located at 2501 County Road 8, Waterloo, Alabama 35677 (Facility).

III. GOVERNING LAW

6. The term "active ingredient" is defined in Section 2(a) of FIFRA, 7 U.S.C. § 136(a), to mean, in the case of a pesticide other than a plant regulator, defoliant, desiccant, or nitrogen stabilizer, an ingredient which will prevent, destroy, repel, or mitigate any pest.
7. The term "label" is defined in Section 2(p)(1) of FIFRA, 7 U.S.C. § 136(p)(1), to mean the written, printed, or graphic matter on, or attached to, the pesticide or device or any of its containers or wrappers.
8. The term "labeling" is defined in Section 2(p)(2) of FIFRA, 7 U.S.C. § 136(p)(2), to mean all labels and all other written, printed, or graphic matter: (a) accompanying the pesticide or device at any time; or (b) to which reference is made on the label or in literature accompanying the pesticide or device.
9. The term "person" is defined in Section 2(s) of FIFRA, 7 U.S.C. § 136(s), to mean any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.
10. The term "pest" is defined in Section 2(t) of FIFRA, 7 U.S.C. § 136(t), to mean 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 micro-organisms 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).
11. The term "pesticide" is defined in Section 2(u) of FIFRA, 7 U.S.C. § 136(u), to mean any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.
12. The term "antimicrobial pesticide" is defined in Section 2(mm) of FIFRA, 7 U.S.C. § 136(mm), to mean a pesticide that is intended to disinfect, sanitize, reduce, or mitigate growth or development of microbiological organisms.
13. The term "to distribute or sell" is defined in Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), to mean to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, release for shipment, or receive and (having so received) deliver or offer to deliver.
14. The term "distribute or sell" is further defined in 40 C.F.R. § 152.3, to mean the acts of distributing, selling, offering for sale, holding for sale, shipping, holding for shipment, delivering for shipment, or receiving and (having so received) delivering or offering to deliver, or releasing for shipment to any person in any State.
15. Pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a, pesticides that are sold or distributed in the United States are required to be registered with the EPA.

16. Pursuant to 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.
17. Pursuant to 40 C.F.R. § 152.15, no person may distribute or sell any pesticide product that is not registered under the Act, except as provided in 40 C.F.R. §§ 152.20, 152.25, and 152.30. A pesticide is any substance (or mixture of substances) intended for a pesticidal purpose, i.e., use for the purpose of preventing, destroying, repelling, or mitigating any pest or use as a plant regulator, defoliant, or desiccant. A substance is considered to be intended for a pesticidal purpose, and thus to be a pesticide requiring registration, if:
 - (a) The person who distributes or sells the substance claims, states, or implies (by labeling or otherwise):
 - i. That the substance (either by itself or in combination with any other substance) can or should be used as a pesticide; or
 - ii. That the substance consists of or contains an active ingredient and that it can be used to manufacture a pesticide; or
 - (b) The substance consists of or contains one or more active ingredients and has no significant commercially valuable use as distributed or sold other than:
 - i. Use for pesticidal purpose (by itself or in combination with any other substance);
 - ii. Use for manufacture of a pesticide; or
 - (c) The person who distributes or sells the substance has actual or constructive knowledge that the substance will be used, or is intended to be used, for a pesticidal purpose.
18. The pesticides or classes of pesticides listed in 40 C.F.R. § 152.25 have been determined to be of a character not requiring regulation under FIFRA and are therefore exempt from all provisions of FIFRA when intended for use, and used, only in the manner specified.
19. Products containing active ingredients listed in 40 C.F.R. § 152.25(f), Table 1, alone or in combination with other substances listed in Table 1, are exempt from FIFRA as “minimum risk pesticides” if all the criteria set forth in Section 152.25(f) are met.
20. Pursuant to 40 C.F.R. § 152.25(f)(3)(i), for a product to be exempt under Section 152.25(f), the pesticide product label must display the name and percentage (by weight) of each active ingredient listed in Table 1 under Section 152.25(f).
21. Pursuant to 40 C.F.R. § 152.25(f)(3)(ii), for a product to be exempted under this section, the pesticide product must not bear claims either to control or mitigate microorganisms that pose a threat to human health, including but not limited to disease transmitting bacteria or viruses, or claims to control insects or rodents carrying specific diseases, including , but not limited to ticks that carry Lyme disease.
22. Pursuant to 40 C.F.R. § 167.3, “pesticidal product” means a pesticide, active ingredient, or device.

23. Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), in conjunction with 40 C.F.R. Part 19, Adjustments of Civil Monetary Penalties for Inflation, authorizes the assessment of a civil penalty for violations of the Act.

IV. FINDINGS OF FACTS

24. Respondent is a “person” as defined in Section 2(s) of FIFRA, 7 U.S.C. § 136(s), and as such is subject to FIFRA and the regulations promulgated thereunder.
25. On or around March 27, 2023, the EPA reviewed Respondent’s website (www.ginesis.com) and identified various products being advertised and offered for sale via an add-to-cart feature. The website included images of labels for various products including Ginesis Antimicrobial and Nit Free Mint Repelling Lice Spray. The website displayed certain pesticidal claims being made for Ginesis Antimicrobial, including: “inactivates viruses and bacteria” and “Safe formulation is effective against Corona”. The website also displayed certain pesticidal claims being made for Nit Free Mint Repelling Lice Spray, including: “Designed to repel lice using natural peppermint oil” and “Light mist on your child’s hair, head wear, backpack, etc. will repel any lice that you might come in contact with”. Because the website URL was displayed on the labels for the Ginesis Antimicrobial and Nit Free Mint Repelling Lice Spray products, the website is considered to be a form of labeling for those pesticidal products.
26. On April 28, 2023, an authorized representative of the EPA conducted an inspection at the Respondent’s Facility to determine Respondent’s compliance with FIFRA. During the inspection, the inspector observed the Ginesis Antimicrobial and Nit Free Mint Repelling Lice Spray products being held for sale or distribution at the Facility and collected labels and sales and distribution records for the products.
27. The label collected during the inspection for the Ginesis Antimicrobial product bore the following pesticidal claims:
- (a) “Inactivates viruses and bacteria;”
 - (b) “To treat bacteria on hard surfaces let stand for 10 minutes;”
 - (c) “To treat bacteria on fabrics spot treat;” and
 - (d) “To sanitize: let stand for 30 seconds and then allow to air dry.”
28. The Ginesis Antimicrobial product label collected during the inspection included statements that the product was exempt from FIFRA registration as a minimum risk pesticide. However, because the product label and website labeling bore specific claims that the product could control or mitigate microorganisms (bacteria and viruses) that pose a threat to human health, the product did not meet the minimum risk pesticide requirement found in 40 C.F.R. § 152.25(f)(3)(ii), but was a pesticide that was required to be registered under Section 3 of FIFRA.
29. The sales records collected during the inspection showed that Respondent sold and distributed the Ginesis Antimicrobial product on one or more occasions between August 17, 2020, and December 12, 2022. Additionally, the product was being offered for sale on Respondent’s website

at the time of the EPA's website review on March 27, 2023. At the time the product was being offered for sale, sold, and/or distributed, it was not registered as a pesticide with the EPA.

30. The Nit Free Mint Repelling Lice Spray labels observed on Respondent's website on or around March 27, 2023, and collected during the inspection bore the following pesticidal claims:

(a) "Lice fighting formula;" and

(b) "Designed to repel lice using natural peppermint oil."

31. A review of the sales records collected during the inspection demonstrated that Respondent sold and distributed the Nit Free Mint Repelling Lice Spray product on one or more occasions between April 22, 2019, and July 23, 2021.
32. Because the label and website labeling for the Nit Free Mint Repelling Lice Spray product bore pesticidal claims, this product was a pesticide as defined in Section 2(u) of FIFRA, 7 U.S.C. § 136(u) at the time it was being offered for sale, sold, and/or distributed as described in the previous paragraphs.
33. EPA's examination of the Nit Free Mint Repelling Lice Spray product label and website labeling revealed that this product did not display the name and percentage of each active ingredient, thus did not meet the minimum risk pesticide requirement found in 40 C.F.R. § 152.25(f)(3)(ii), and was therefore a pesticide that was required to be registered under Section 3 of FIFRA.
34. At the time the Nit Free Mint Repelling Lice Spray product was being offered for sale, sold, and/or distributed, it was not registered as a pesticide with the EPA as required by Section 3 of FIFRA.

V. ALLEGED VIOLATIONS

35. The EPA alleges that Respondent violated Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), by offering for sale, selling, and/or distributing unregistered pesticides on multiple occasions between April 22, 2019, and March 27, 2023, as described in Section IV above.

VI. STIPULATIONS

36. Pursuant to 40 C.F.R. § 22.13(b), the issuance of this CAFO simultaneously commences and concludes this proceeding.
37. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:
- (a) admits that the EPA has jurisdiction over the subject matter alleged in this CAFO;
 - (b) neither admits nor denies the specific factual allegations set forth in Section IV (Findings of Facts) of this CAFO;
 - (c) consents to the assessment of a civil penalty as stated below;
 - (d) consents to the conditions specified in this CAFO;

(e) waives any right to contest the allegations set forth in Section V (Alleged Violations) of this CAFO; and

(f) waives its rights to appeal the Final Order accompanying this CAFO.

38. For the purpose of this proceeding, Respondent:

(a) agrees that this CAFO states a claim upon which relief may be granted against Respondent;

(b) acknowledges that this CAFO constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement actions;

(c) waives any rights it may possess at law or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance with the CAFO, and to seek an additional penalty for such noncompliance, and agrees that federal law shall govern in any such civil action;

(d) by executing this CAFO, certifies to the best of its knowledge that Respondent is currently in compliance with all relevant requirements of FIFRA and its implementing regulations, and that all violations alleged herein, which are neither admitted nor denied, have been corrected;

(e) waives any right it may have pursuant to 40 C.F.R. § 22.8 to be present during any discussions with, or to be served with and reply to, any memorandum or communication addressed to EPA officials where the purpose of such discussion, memorandum, or communication is to persuade such official to accept and issue this CAFO;

(f) waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the final order accompanying the Consent Agreement; and

(g) agrees to comply with the terms of this CAFO.

39. In accordance with 40 C.F.R. § 22.5, the individuals named in the Certificate of Service are authorized to receive service related to this proceeding and the Parties agree to receive service by electronic means.

VII. TERMS OF PAYMENT

40. Respondent consents to the payment of a civil penalty, which was calculated in accordance with the Act, in the amount of **FORTY-FIVE THOUSAND DOLLARS (\$45,000.00)**, which is to be paid within thirty (30) days of the Effective Date of this CAFO.

41. The Respondent shall pay the civil penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website:

<https://www.epa.gov/financial/makepayment>. For additional instructions, see:
<https://www.epa.gov/financial/additional-instructions-making-payments-epa>. In addition,
Respondent shall identify every payment with Respondent's name and the docket number of this
CAFO, Docket No. FIFRA-04-2024-3020(b).

42. Respondent shall send proof of payment electronically, within twenty-four (24) hours of payment of the civil penalty, to:

Regional Hearing Clerk
U.S. EPA, Region 4
R4_Regional_Hearing_Clerk@epa.gov

and

Kimberly Tonkovich
Enforcement and Compliance Assurance Division
Chemical Safety and Land Enforcement Branch
tonkovich.kimberly@epa.gov

and

U.S. Environmental Protection Agency
Cincinnati Finance Center
cinwd_acctsreceivable@epa.gov

43. "Proof of payment" means, as applicable, a copy of the check, confirmation of credit card or debit card payment, confirmation of wire or Automated Clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the Facility name and Docket No. **FIFRA-04-2024-3020(b)**.
44. Pursuant to 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to remit the civil penalty as agreed to herein, the EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the costs of processing and handling the delinquent claim. Accordingly, the EPA may require Respondent to pay the following amounts on any amount overdue:
- (a) Interest. Interest will begin to accrue on the civil penalty from the Effective Date of this CAFO. If the civil penalty is paid within thirty (30) days of the Effective Date of this CAFO, interest is waived. However, if the civil penalty is not paid in full within thirty (30) days, interest will continue to accrue on any unpaid portion until the unpaid portion of the civil penalty and accrued interest are paid. Interest will be assessed at the rate of the United States Treasury tax and loan rate, as established by the Secretary of the Treasury, in accordance with 31 U.S.C. § 3717(a)(1), 31 C.F.R. § 901.9(b)(2), and 40 C.F.R. § 13.11(a).

- (b) Non-Payment Penalty. On any portion of a civil penalty more than ninety (90) days past due, Respondent must pay a non-payment penalty of not more than six percent (6%) per annum, which will accrue from the date the penalty payment became due and is not paid, as provided in 31 U.S.C. § 3717(e)(2) and 31 C.F.R. § 901.9(d). This non-payment penalty is in addition to charges which accrue or may accrue under subparagraphs (a) and (c) and will be assessed monthly. *See* 40 C.F.R. § 13.11(c).
- (c) Monthly Handling Charge. Respondent must pay a late payment handling charge to cover the administrative costs of processing and handling the delinquent claim, based on either actual or average costs incurred. *See* 31 C.F.R. § 901.9(c) and 40 C.F.R. § 13.11(b). Administrative costs will be assessed monthly throughout the period the debt is overdue except as provided by 40 C.F.R. § 13.12.

45. If Respondent fails to timely pay any portion of the penalty assessed under this CAFO, the EPA may:

- (a) refer the debt to a credit reporting agency or a collection agency pursuant to Section 14(a) of FIFRA, 7 U.S.C. § 136/(a) (*see* 40 C.F.R. §§ 13.13 and 13.14);
- (b) collect the debt by administrative offset (i.e., the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds (*see* 40 C.F.R. Part 13, Subparts C and H);
- (c) suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with the EPA or engaging in programs the EPA sponsors or funds (*see* 40 C.F.R. § 13.17); and/or
- (d) request that the Attorney General bring a civil action in the appropriate district court to recover the amount assessed pursuant to Section 14(a)(5) of FIFRA, 7 U.S.C. § 136/(a)(5).

46. Penalties paid pursuant to this CAFO shall not be deductible for purposes of federal taxes.

VIII. EFFECT OF CAFO

- 47. In accordance with 40 C.F.R. § 22.18(c), Respondent's full compliance with this CAFO shall only resolve Respondent's liability for federal civil penalties for the violations and facts specifically alleged in Sections IV and V above.
- 48. In accordance with 40 C.F.R. § 22.18(c), full payment of the civil penalty, as provided in Section VII (Terms of Payment), shall satisfy the requirements of this CAFO; but shall not in any case affect the right of the EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law.
- 49. Any violation of this CAFO may result in a civil judicial action for civil penalties as provided in Section 14(a) of the Act, 7 U.S.C. § 136/(a), as well as criminal sanctions as provided in Section

14(b) of the Act, 7 U.S.C. § 136/(b). The EPA may use any information submitted under this CAFO in an administrative, civil judicial, or criminal action.

50. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of FIFRA and other federal, state, or local laws or statutes, nor shall it restrict the EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit, except as expressly provided herein.
51. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent hazard as provided under the Act.
52. The terms, conditions, and compliance requirements of this CAFO may not be modified or amended except upon the written agreement of both Parties, and approval of the Regional Judicial Officer.
53. The provisions of this CAFO shall apply to and be binding upon Respondent and its successors and assigns. Respondent shall direct its officers, directors, employees, agents, trustees, and authorized representatives to comply with the provisions of this CAFO, as appropriate.
54. Any change in the legal status of Respondent, or change in ownership, partnership, corporate or legal status relating to the Facility, will not in any way alter Respondent's obligations and responsibilities under this CAFO.
55. By signing this Consent Agreement, Respondent acknowledges that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential business information or personally identifiable information.
56. By signing this Consent Agreement, the Complainant and the undersigned representative of Respondent each certify that one is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the party one represents to this CAFO.
57. By signing this Consent Agreement, both Parties agree that each party's obligations under this CAFO constitute sufficient consideration for the other party's obligations.
58. By signing this Consent Agreement, Respondent certifies that the information it has supplied concerning this matter was at the time of submission, and continues to be, true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.
59. The EPA also reserves the right to revoke this CAFO and settlement penalty if and to the extent that the EPA finds, after signing this CAFO, that any information provided by Respondent was materially false or inaccurate at the time such information was provided to the EPA. If such false or inaccurate material was provided, the EPA reserves the right to

assess and collect any and all civil penalties for any violation described herein. The EPA shall give Respondent notice of its intent to revoke, which shall not be effective until received by Respondent in writing.

60. It is the intent of the Parties that the provisions of this CAFO are severable. If any provision or authority of this CAFO or the application of this CAFO to any party or circumstances is held by any judicial or administrative authority to be invalid or unenforceable, the application of such provisions to other parties or circumstances and the remainder of the CAFO shall remain in force and shall not be affected thereby.
61. Unless specifically stated otherwise in this CAFO, each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.

IX. EFFECTIVE DATE

62. This CAFO shall become effective after execution of the Final Order by the Regional Judicial Officer on the date of filing with the Regional Hearing Clerk.

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Complainant and Respondent will Each Sign on Separate Pages]

The foregoing Consent Agreement In the Matter of **CJH, Inc. d/b/a Ginesis Natural Products**, Docket Number **FIFRA-04-2024-3020(b)**, is Hereby Stipulated, Agreed, and Approved for Entry.

FOR RESPONDENT:

Charles Jeffrey Hester 5/1/25
Signature Date

Printed Name: Charles Jeffrey Hester, CJH, Inc
Title: President
Address: 2501 County Road 8
Waterloo, AL 35677

The foregoing Consent Agreement In the Matter of **CJH, Inc. d/b/a Ginesis Natural Products**, Docket Number **FIFRA-04-2024-3020(b)**, is Hereby Stipulated, Agreed, and Approved for Entry.

FOR COMPLAINANT:

Keriema S. Newman
Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 4

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4

In the Matter of:

CJH, Inc. d/b/a Ginesis Natural Products,

Respondent.

Docket No. **FIFRA-04-2024-3020(b)**

FINAL ORDER

The Regional Judicial Officer is authorized to ratify this Consent Agreement which memorializes a settlement between Complainant and Respondent. 40 C.F.R. §§ 22.4(b) and 22.18(b)(3). The foregoing Consent Agreement is, therefore, hereby approved, ratified, and incorporated by reference into this Final Order in accordance with the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits*, 40 C.F.R. Part 22.

Respondent is hereby ORDERED to comply with all of the terms of the foregoing Consent Agreement effective immediately upon filing of this Consent Agreement and Final Order with the Regional Hearing Clerk. This Final Order disposes of this matter pursuant to 40 C.F.R. §§ 22.18 and 22.31.

BEING AGREED, IT IS SO ORDERED.

Tanya Floyd
Regional Judicial Officer

CERTIFICATE OF SERVICE

I certify that the foregoing Consent Agreement and Final Order, in the Matter of **CJH, Inc. d/b/a Ginesis Natural Products**, Docket No. **FIFRA-04-2024-3020(b)**, were filed and copies of the same were emailed to the Parties as indicated below.

Via email to all Parties at the following email addresses:

To Respondent: Gregory Wall, Esq.
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