



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

AUG 01 2016

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Teri L. Diaz  
Business Manager  
JAFCO Inc., d/b/a Paul Davis Restoration & Remodeling  
2093 Thomas Road Suite 6  
Memphis, Tennessee 38134

Re: JAFCO Inc., d/b/a Paul Davis Restoration & Remodeling  
Ratified Consent Agreement and Final Order  
Docket No. TSCA-04-2016-2529(b)

Dear Ms. Diaz:

Enclosed is a copy of the ratified Consent Agreement and Final Order (CAFO) in the above-referenced matter. The original CAFO has been filed with the Regional Hearing Clerk and served on the parties as directed in Section 22.6 of the Consolidated Rules of Practice, 40 C.F.R. Part 22.

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

Also enclosed is a copy of a document entitled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts you on notice of your potential duty to disclose to the Securities and Exchange Commission any environmental enforcement actions taken by the U. S. Environmental Protection Agency Region 4. Where used in the document "SEC" refers to the Securities and Exchange Commission.

Should you have any questions about this matter or your compliance status in the future, please contact Mr. Ronald Raye of the EPA staff at (404) 562-9612 or email [raye.ronald@epa.gov](mailto:raye.ronald@epa.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony Toney", with a long horizontal line extending to the right.

Anthony Toney  
Chief

Chemical Safety and Enforcement Branch

Enclosures

## **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) require 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 proceeding 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 government authorities.

If you have any questions about the SEC's environmental disclosure requirements, please contact the Office of Chief Counsel of the SEC's Division of Corporation Finance. The phone number is (202) 551-3500.

UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION 4  
ATLANTA, GEORGIA

USEPA REGION 4  
OFFICE OF REGIONAL  
COUNSEL  
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**In the Matter of:** )  
 )  
JAFCO Inc., d/b/a Paul Davis )  
Restoration & Remodeling )  
 )  
Respondent. )  
\_\_\_\_\_ )

**Docket No.:** TSCA-04-2016-2529(b)

**CONSENT AGREEMENT AND FINAL ORDER**

**I. Nature of the Action**

1. This is a civil penalty proceeding pursuant to Section 16(a) of the Toxic Substances Control Act (TSCA), 15 U.S.C. § 2615(a), and pursuant to the Consolidated Rules of Practice Governing Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. Part 22. The authority to take action under Section 16(a) of TSCA, 15 U.S.C. § 2615(a) is vested in the Administrator of the United States Environmental Protection Agency (EPA). The Administrator of the EPA has delegated this authority under TSCA to the Regional Administrator of the EPA Region 4 by the EPA Delegation 12-2-A, dated May 11, 1994. The Regional Administrator of the EPA Region 4 has re-delegated this authority under TSCA to the Director of the Air, Pesticides and Toxics Management Division, by the EPA Region 4 Delegation 12-2-A, dated January 14, 2009. In accordance with 40 C.F.R. § 22.3(a), the Complainant in this matter is the Director of the Air, Pesticides and Toxics Management Division. Respondent is JAFCO Inc., d/b/a Paul Davis Restoration & Remodeling, a company doing business in the State of Tennessee.

2. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. § 22.18 and desire to resolve this matter and settle the allegations described herein without a formal hearing. Therefore, without the taking of any evidence or testimony, the making of any argument, or the adjudication of any issue in this matter, and in accordance with 40 C.F.R. § 22.13(b), this Consent Agreement and Final Order (CAFO) will simultaneously commence and conclude this matter.

## **II. Preliminary Statements**

3. Pursuant to Sections 402 and 406 of the Toxic Substances Control Act (TSCA), 15 U.S.C. §§ 2682 and 2686, the Administrator of the EPA promulgated Residential Property Renovation Rules at 40 C.F.R. Part 745, Subpart E including the Pre-Renovation Education Rule, the Renovation, Repair and Painting Rule, and the Lead-Based Paint Activities Rule. It is a prohibited act under Section 409 of TSCA, 15 U.S.C. § 2689, for any person to fail or refuse to comply with any of the rules issued under 40 C.F.R. Part 745, Subpart E.
4. Pursuant to 40 C.F.R. § 22.5(c)(4), the following individual is authorized to receive service for the EPA in this proceeding:

Mr. Ronald Raye  
Lead and Asbestos Section  
U.S. EPA Region 4  
61 Forsyth Street SW  
Atlanta, Georgia 30303-8960  
(404) 562-9612

## **III. Specific Allegations**

5. Respondent is a “firm” that performs “renovations” for compensation as those terms are defined, by 40 C.F.R. § 745.83. Respondent performed renovation activities at a residential unit located at 1273 Mill Creek Cove Memphis, Tennessee 38134. This

residential unit is “target housing,” as that term is defined by 40 C.F.R. § 745.103.

6. Based on information provided by Respondent to the EPA dated June 15, 2016, the EPA alleges that Respondent violated Sections 402 and 406 of TSCA and 40 C.F.R.

Part 745, Subpart E as follows:

- a. Respondent failed to retain all records for a period of three (3) years following completion of the renovation activities, necessary to demonstrate compliance with the requirements of 40 C.F.R. § 745.85 pursuant to 40 C.F.R. § 745.86.

#### **IV. Consent Agreement**

7. For the purposes of this CAFO, Respondent admits the jurisdictional allegations set forth above and neither admits nor denies the factual allegations set forth above.
8. Respondent waives its right to a hearing on the allegations contained herein and its right to appeal the Final Order accompanying the Consent Agreement.
9. Respondent consents to the assessment of the penalty proposed by the EPA and agrees to pay the civil penalty as set forth in the Final Order section of this CAFO.
10. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of 40 C.F.R. Part 745, Subpart E.
11. Compliance with this CAFO shall resolve the allegations of the violations contained herein. This CAFO shall not otherwise affect any liability of Respondent to the United States. Other than as expressed herein, neither the EPA nor Complainant waives any right to bring an enforcement action against Respondent for violation of any federal or state statute, regulation or permit, to initiate an action for imminent and substantial endangerment, or to pursue criminal enforcement.

**V. Final Order**

12. Respondent is assessed a civil penalty of **ONE THOUSAND FOUR HUNDRED TWENTY EIGHT DOLLARS (\$1,428)** which shall be paid within thirty (30) days after the effective date of this CAFO.
13. Respondent shall remit the penalty payment by either a cashier's or certified check made payable to the "Treasurer, United States of America."

**The Respondent shall note on the face of the check the Respondent's Name and the Docket Number TSCA-04-2016-2529(b).**

The penalty payment shall be sent by one of the methods below.

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

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

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

U.S. Bank  
Government Lockbox 979077  
U.S. EPA Fines & Penalties  
1005 Convention Plaza  
Mail Station SL-MO-C2-GL  
St. Louis, Missouri 63101

Contact Phone Number: (314) 425-1819

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

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

**Ronald Raye**  
Lead and Asbestos Section  
U.S. EPA Region 4  
61 Forsyth Street SW  
Atlanta, Georgia 30303-8960

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

15. For the purposes of state and federal income taxation, Respondent shall not be entitled, and agrees not to attempt, to claim a deduction for any civil penalty payment pursuant to this CAFO. Any attempt by Respondent to deduct any such payments shall constitute a violation of this CAFO.
16. Pursuant to 31 U.S.C. § 3717, the EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will therefore begin to accrue on the civil penalty from the date of entry of this CAFO, if the penalty is not paid by the date required. A charge will also be assessed to cover the administrative costs, both direct and indirect, of overdue debts. In addition, under the Adequate Response Requirement of the CAFO Policy, a late payment may require Formal Enforcement Procedures be employed to collect any principal amount not paid within 30 days of the due date.

17. Complainant and Respondent shall bear their own costs and attorney fees in this matter.
18. This CAFO shall be binding upon the Respondent, its successors and assigns.
19. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and legally binds that party to this CAFO.

**The remainder of this page intentionally left blank.**

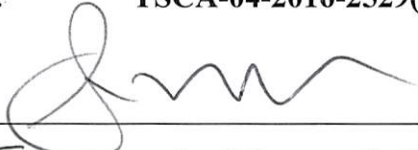


**VI. Effective Date**


20. The effective date of this CAFO shall be the date on which the CAFO is filed with the Regional Hearing Clerk.

**AGREED AND CONSENTED TO:**

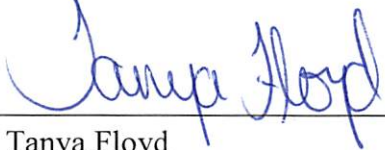
**Respondent:** JAFCO Inc., d/b/a Paul Davis Restoration & Remodeling  
**Docket No.:** TSCA-04-2016-2529(b)

By:  (Signed) Date: 7/16/2016  
Name: JOHN M. BLASE (Typed or Printed)  
Title: PRESIDENT (Typed or Printed)

**Complainant:** U.S. ENVIRONMENTAL PROTECTION AGENCY

By:  Date: 7/21/16  
Carol L. Kemker, Acting Director  
Air, Pesticides and Toxics  
Management Division

**APPROVED AND SO ORDERED** this 26<sup>th</sup> day of July, 2016

By:   
Tanya Floyd  
Regional Judicial Officer


**CERTIFICATE OF SERVICE**

I hereby certify that on the date set out below, I filed the original and one copy of the foregoing Consent Agreement and Final Order and served a true and correct copy of the foregoing Consent Agreement and Final Order, In the Matter of JAFCO Inc., d/b/a Paul Davis Restoration & Remodeling. Docket Number: TSCA-04-2016-2529(b), to the addressees listed below:

Teri L. Diaz (via Certified Mail, Return Receipt Requested)  
Business Manager  
JAFCO Inc., d/b/a Paul Davis Restoration & Remodeling  
2093 Thomas Road Suite 6  
Memphis, Tennessee 38134

Ronald Raye (via the EPA's internal mail)  
Lead and Asbestos Section  
U.S. EPA Region 4  
61 Forsyth Street SW  
Atlanta, Georgia 30303-8960

Robert Caplan, Senior Attorney (via the EPA's internal mail)  
Office of Regional Counsel  
U.S. EPA Region 4  
61 Forsyth Street SW  
Atlanta, Georgia 30303-8960

*for*  
  
\_\_\_\_\_  
Patricia A. Bullock, Regional Hearing Clerk  
U.S. Environmental Protection Agency, Region 4  
61 Forsyth Street SW  
Atlanta, Georgia 30303-8960  
(404) 562-9511

Date:   
\_\_\_\_\_