

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

IN THE MATTER OF)	
)	
CDG Technology, Inc.)	DOCKET NO: FIFRA-03-2008-0147
759 Roble Road)	
Allentown, PA 18109)	CONSENT AGREEMENT
)	
Respondent)	
_____)	

CONSENT AGREEMENT

I. GENERAL PROVISIONS

1. Pursuant to Section 14(a) of the Federal Insecticide, Fungicide and Rodenticide Act ("FIFRA" or "the Act"), as amended, 7 U.S.C. § 136i, the Director of the Land and Chemicals Division (formerly the Waste and Chemicals Management Division) for the United States Environmental Protection Agency, Region III ("EPA"), initiated an administrative enforcement proceeding for the assessment of a civil penalty against CDG Technology, Inc. ("CDG" or "Respondent"). On March 27, 2008, EPA filed a Complaint and Notice of Opportunity to Request a Hearing against CDG, DOCKET NO.: FIFRA-03-2008-0147 ("Complaint"). The Complaint alleged that Respondent committed unlawful acts under Section 12 of FIFRA, 7 U.S.C. § 136j, in connection with the sale and/or distribution of an unregistered and misbranded pesticide product. On June 2, 2008, Respondent filed its Answer to EPA's Complaint in which it denied some of the allegations and conclusions of law set forth therein. Thereafter, the parties engaged in settlement discussions and the alternative dispute resolution process to resolve this matter. This Consent Agreement and the accompanying Final Order (collectively referred to herein as the "CAFO") address EPA's civil penalty claims arising from the violations alleged in the Complaint.

2. For purposes of this proceeding, Respondent admits the jurisdictional allegations set forth in the Complaint and herein.

3. For purposes of this proceeding, Respondent neither admits nor denies the specific factual allegations set forth in the Complaint except as provided in paragraph 2, above.

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4. For purposes of this proceeding, Respondent consents to the issuance of this CAFO and agrees to comply with the terms of this CAFO.
5. For purposes of this proceeding, Respondent consents to the payment of a civil penalty in the amount and in the manner set forth in this CAFO.
6. For purposes of this proceeding, Respondent hereby expressly waives its right to contest the allegations in the Complaint and herein, and its right to appeal the Final Order accompanying this Consent Agreement.
7. Respondent shall bear its own costs and attorney fees.

II. CIVIL PENALTY

8. In settlement of the above-captioned action, Respondent consents to the assessment of a civil penalty of Thirty Two Thousand Seven Hundred Dollars (\$32,700.00) payable as described in paragraph 10, below. The aforesaid settlement amount is based upon Complainant's consideration of a number of factors, including, but not limited to, the statutory factors set forth in Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), *i.e.*, the size of Respondent's business, the effect of the penalty on Respondent's ability to continue in business, and the gravity of the violation. These factors were applied to the particular facts and circumstances of this case with specific reference to the *FIFRA Enforcement Response Policy ("ERP")*, dated July 2, 1990, 40 C.F.R. Part 19, and the *Modifications to EPA Penalty Policies to Implement the Civil Monetary Penalty Inflation Adjustment Rule (Pursuant to the Debt Collection Improvement Act of 1996, Effective October 1, 2004)*, dated September 21, 2004.
9. The Parties acknowledge and represent that the aforesaid settlement is based, in part, upon an analysis of Respondent's ability to pay a civil penalty. This analysis was based upon information submitted to Complainant by Respondent, including CDG Technology, Inc., and CDG Research Corp. Federal Tax Returns for the years 2003 through 2007. By his signature below, Respondent's representative certifies that the information submitted to EPA regarding its ability to pay and regarding any other matter at issue in this proceeding, is accurate and not misleading. Respondent and its officers and directors are aware that the submission of false or misleading information to the United States government may subject a person to separate civil and/or criminal liability. Complainant reserves the right to seek and obtain appropriate relief if Complainant obtains evidence that the information provided and/or representations made by Respondent to Complainant regarding Respondent's claim of inability to pay, or regarding any of other matter herein at issue, are materially false, fictitious or fraudulent.
10. Pursuant to this Consent Agreement, the amount described in paragraph 8, above (*i.e.*,

Thirty Two Thousand Seven Hundred Dollars (\$32,700.00)), shall become due and payable immediately upon Respondent's receipt of a true and correct copy of the CAFO; however, Respondent may pay such amount, and an interest assessment of three percent (3%) per annum on the outstanding principal, in six installment payments, in the following amounts and according to the following schedule:

1st Payment – The deadline for the first payment, in the amount of Seven Thousand Seven Hundred (\$7,700.00), is thirty days after the CAFO is mailed or hand-delivered to the Respondent;

2nd Payment – The deadline for the second payment, in the amount of Five Thousand Sixty One Dollars and Sixty Four Cents (\$5,061.64), which consists of \$5,000.00 in principal and \$61.64 in accrued interest, is sixty days after the CAFO is mailed or hand-delivered to the Respondent;

3rd Payment – The deadline for the third payment, in the amount of Five Thousand Forty Nine Dollars and Thirty Two Cents (\$5,049.32), which consists of \$5,000.00 in principal and \$49.32 in accrued interest, is ninety days after the CAFO is mailed or hand-delivered to the Respondent;

4th Payment – The deadline for the fourth payment, in the amount of Five Thousand Thirty Six Dollars and Ninety Nine Cents (\$5,036.99), which consists of \$5,000.00 in principal and \$36.99 in accrued interest, is one hundred twenty days after the CAFO is mailed or hand-delivered to the Respondent;

5th Payment – The deadline for the fifth payment, in the amount of Five Thousand Twenty Four Dollars and Sixty Six Cents (\$5,024.66), which consists of \$5,000.00 in principal and \$24.66 in accrued interest, is one hundred and fifty days after the CAFO is mailed or hand-delivered to the Respondent;

6th Payment – The deadline for the sixth payment, in the amount of Five Thousand Twelve Dollars and Thirty Three Cents (\$5,012.33), which consists of \$5,000.00 in principal and \$12.33 in accrued interest, is one hundred eighty days after the CAFO is mailed or hand-delivered to the Respondent.

Payment in accordance with the above schedule results in the Respondent's total payment of Thirty Two Thousand Eight Hundred Eight Four Dollars and Ninety Four Cents (\$32,884.94), which consists of principle in the aforesaid amount of Thirty Two Thousand Seven Hundred Dollars (\$32,700.00) and the payment of accrued interest in the amount of One Hundred Eighty Four Dollars and Ninety Four Cents (\$184.94).

11. Notwithstanding Respondent's agreement to pay in accordance with the installment payment provisions of paragraph 10, immediately above, Respondent may pay the entire Thirty Two Thousand Seven Hundred Dollars (\$32,700.00) within **thirty (30) calendar days** after the date on which a copy of this CAFO is mailed or hand-delivered to Respondent and, thereby, avoid the incurrence and payment of interest pursuant to 40 C.F.R. § 13.11(a)(1), as calculated in paragraph 10, above, and as further described in paragraphs 14 and 15, below.
12. If Respondent elects to pay in accordance with the installment payment procedure described in paragraph 10, above, but fails to make any installment payment in accordance with the requirements and schedule set forth in paragraph 10, above, the entire unpaid balance of the principle and all accrued interest shall become due immediately upon such failure, and Respondent immediately shall pay the entire remaining balance of the principle along with any interest that has accrued up to the time of such payment. In addition, Respondent shall be liable for and shall pay administrative handling charges and late payment penalty charges as described in paragraphs 16 and 17, below, in the event of any such failure or default.
13. Payment(s) under the terms of paragraphs 10 or 11, above, shall be made as follows:

a. Mailing (*via first class U.S. Postal Service Mail*) a certified or cashier's check, made payable to the "United States Treasury" to the following address:

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

Contact: Natalie Pearson
314-418-4087

b. Via Overnight Delivery of a certified or cashier's check, made payable to the "United States Treasury", sent to the following address:

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, MO 63101

Contact: Natalie Pearson
314-418-4087

c. By electronic funds transfer ("EFT") to the following account:

Federal Reserve Bank of New York
ABA 021030004
Account No. 68010727
SWIFT Address FRNYUS33
33 Liberty Street
NY, NY 10045

(Field tag 4200 of Fedwire message should read "D
68010727 Environmental Protection Agency")

d. By automatic clearinghouse ("ACH") to the following account:

PNC Bank
808 17th Street, NW
Washington, DC 20074
ABA = 051036706
Transaction Code 22 - checking
Environmental Protection Agency
Account 310006
CTX Format

Contact: Jesse White
301-887-6548

e. Online payments can be made at WWW.PAY.GOV by entering "sfo 1.1" in the search field, and opening the form and completing the required fields.

All payments shall also reference the above case caption and docket number, DOCKET NO.: FIFRA-03-2008-0147. At the same time that any payment is made, Respondent shall mail copies of any corresponding check, or provide written notification confirming any electronic wire transfer, automated clearinghouse or online payment to Lydia A. Guy, Regional Hearing Clerk (3RC00), U.S. EPA, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103-2029 and to Stephen Forostiak (3LC62), Land and Chemicals Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103-2029.

14. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, EPA is entitled to assess interest, administrative costs and late payment penalties on outstanding debts owed to the United States and also to assess a charge to cover the costs of processing and handling a delinquent claim, as more fully described below.

15. In accordance with 40 C.F.R. § 13.11(a), interest on a civil penalty begins to accrue on the date that a copy of the CAFO is mailed or hand-delivered to respondent. However, EPA will not seek to recover interest on any amount of such civil penalty that is paid within thirty (30) calendar days after the date on which such interest begins to accrue. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a).
16. The cost of the Agency's administrative handling of overdue debts will be charged and assessed monthly throughout the period the debt is overdue. 40 C.F.R. § 13.11(b). Pursuant to Appendix 2 of EPA's *Resources Management Directives - Cash Management*, Chapter 9, EPA will assess a \$15.00 administrative handling charge for administrative costs on unpaid penalties for the first thirty (30) day period after the payment is due and an additional \$15.00 for each subsequent thirty (30) days the penalty remains unpaid.
17. A late payment penalty of six percent (6%) per year will be assessed monthly on any portion of a civil penalty which remains delinquent more than ninety (90) calendar days. 40 C.F.R. § 13.11(c). Should assessment of the penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. 31 C.F.R. § 901.9(d).
18. Respondent agrees not to deduct for civil taxation purposes the amounts paid pursuant to this CAFO.

III. CERTIFICATION

19. Respondent certifies by its signature herein that, to the best of its knowledge and belief, it is currently in compliance with all applicable requirements of FIFRA, 7 U.S.C. §§ 136 *et seq.*

IV. OTHER APPLICABLE LAWS

20. Nothing in this CAFO shall relieve Respondent of its obligation to comply with all applicable federal, state, and local laws and regulations.

V. RESERVATION OF RIGHTS

21. This CAFO resolves only EPA's civil claims for penalties for the specific violations alleged in the Complaint. EPA reserves the right to commence action against any person, including Respondent, in response to any condition which EPA determines may present an imminent and substantial endangerment to the public health, public welfare, or the environment. In addition, this settlement is subject to all limitations on the scope of resolution and to the reservation of rights set forth in Section 22.18(c) of the

Consolidated Rules of Practice. Further, EPA reserves any rights and remedies available to it under FIFRA, the regulations promulgated thereunder, and any other federal laws or regulations for which EPA has jurisdiction, to enforce the provisions of this CAFO, following its filing with the Regional Hearing Clerk.

VI. FULL AND FINAL SATISFACTION

22. Payment of the amount specified in paragraph 8, above, shall constitute full and final satisfaction of all claims for civil penalties which Complainant may have under FIFRA, 7 U.S.C. §§ 136 *et seq.*, for the specific violations alleged in the Complaint. Compliance with this CAFO shall not be a defense to any action commenced at any time for any other violation of the federal laws and regulations administered by EPA.

VII. PARTIES BOUND

23. This CAFO shall apply to and be binding upon the EPA, the Respondent, and the officers, directors, successors, and assigns of Respondent. By his or her signature below, the person signing this Consent Agreement on behalf of Respondent is acknowledging that he or she is fully authorized by the party represented to execute this Consent Agreement and to legally bind Respondent to the terms and conditions of this CAFO.

VIII. EFFECTIVE DATE

24. The effective date of this CAFO is the date on which the Final Order, signed by the Regional Administrator of EPA -- Region III, or his designee, the Regional Judicial Officer, is filed with the Regional Hearing Clerk pursuant to the Consolidated Rules of Practice.

IX. ENTIRE AGREEMENT

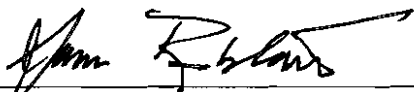
25. This CAFO constitutes the entire agreement and understanding of the Parties concerning settlement of the action referenced in the caption above, and there are no representations, warranties, covenants, terms, or conditions agreed upon between the Parties other than those expressed herein.

In re: CDG Technology, Inc.
Docket No.: FIFRA-03-2008-0147

Consent Agreement and Final Order

For Respondent:

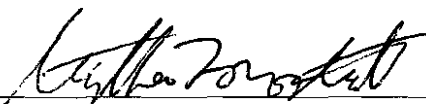
January 17, 2009
Date



Aaron Rosenblatt, President
CDG Technology, Inc.

For Complainant:


1-27-09
Date



Stephen Forostiak, Enforcement Officer
U.S. EPA, Region III

Accordingly, I hereby recommend that the Regional Administrator or his designee issue the Final Order attached hereto.

2/10/09
Date:



Abraham Ferdas, Director
Land and Chemicals Division

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

IN THE MATTER OF

CDG Technology, Inc.
 759 Roble Road
 Allentown, PA 18109

Respondent

DOCKET NO: FIFRA-03-2008-0147

FINAL ORDER

FINAL ORDER

The Director, Land and Chemicals Division, U.S. Environmental Protection Agency Region III, and Respondent, CDG Technology, Inc., have executed a document entitled "Consent Agreement" which I hereby ratify as a Consent Agreement 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 ("Consolidated Rules of Practice"). The terms of the foregoing Consent Agreement are accepted by the undersigned and incorporated into this Final Order as if fully set forth at length herein.

NOW, THEREFORE, PURSUANT TO Section 14(a) of the Federal Insecticide, Fungicide, and Rodenticide Act, *as amended*, 7 U.S.C. § 136l(a) ("FIFRA"), and the Consolidated Rules of Practice, and having determined, based on the parties' representation in the Consent Agreement, that the penalty agreed to in the Consent Agreement is based on a consideration of the factors set forth in Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), IT IS

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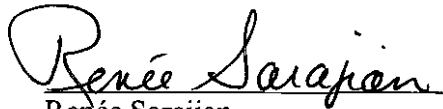
In re: CDG Technology, Inc.
Docket No.: FIFRA-03-2008-0147

Consent Agreement and Final Order

HEREBY ORDERED that Respondent pay a penalty of Thirty Two Thousand Seven Hundred Dollars (\$32,700.00), and comply with the terms and conditions of the Consent Agreement.

The effective date of the foregoing Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk.

2/11/09
Date



Renée Sarajian
Regional Judicial Officer
U.S. Environmental Protection Agency, Region III

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

IN THE MATTER OF)
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CDG Technology, Inc.)
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DOCKET NO: FIFRA-03-2008-0147
CONSENT AGREEMENT
AND FINAL ORDER

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CERTIFICATE OF SERVICE

I certify that the foregoing CONSENT AGREEMENT AND FINAL ORDER in the above referenced matter, was sent this day in the following manner to the below addressees.

Original and one copy by hand-delivery:

Lydia Guy, Regional Hearing Clerk


Copy by Certified Mail

Thomas R. Carey, Esq.
Bell, Boyd & Lloyd LLP
70 W. Madison Street Suite 3100
Chicago, IL 60602-4207

The Honorable Susan L. Biro
Chief Administrative Law Judge
Office of Administrative Law Judges
U.S. Environmental Protection Agency
Mail Code I900L
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

FEB 11 2009

Date


Jennifer M. Abramson (3LC62)
Senior Assistant Regional Counsel
U.S. EPA, Region III

