

UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION 6  
DALLAS, TEXAS

**FILED**  
03 FEB 26 AM 10:48  
REGIONAL HEARING CLERK  
EPA REGION 6

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In the Matter of	§	
	§	
Koala Eco Company USA, Limited	§	Docket No. FIFRA-06-2025-0443
	§	
	§	
Respondent.	§	

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**CONSENT AGREEMENT AND FINAL ORDER**

**A. PRELIMINARY STATEMENT**

1. This is an administrative penalty assessment proceeding brought under Section 14 of the Federal Insecticide, Fungicide, and Rodenticide Act (“FIFRA” or the “Act”), 7 U.S.C. § 136l, and Sections 22.13, 22.18, and 22.34 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permit (“Consolidated Rules”), as codified at 40 C.F.R. Part 22.

2. Complainant is the United States Environmental Protection Agency, Region 6 (EPA). On EPA’s behalf, the Director of the Enforcement and Compliance Assurance Division, EPA Region 6, has been delegated the authority to settle civil administrative penalty and compliance proceedings under Section 14(a) of the Act, 7 U.S.C. § 136l(a).

3. Koala Eco Company USA, Limited (“Koala Eco” or “Respondent”) is a company incorporated in New Hampshire. Respondent is a “person” as defined in Section 2(s) of FIFRA, 7 U.S.C. § 136(s).

4. Complainant and Respondent, having agreed that settlement of this action is in the public interest, consent to the entry of this Consent Agreement along with the corresponding Final Order hereinafter known together as the "CAFO" without the adjudication of any issues of law or fact herein.

5. Respondent consents to the assessment of the civil penalty specified in this CAFO and to the terms of this CAFO.

#### **B. JURISDICTION**

6. This CAFO is entered into under Section 14 of the Act, as amended, 7 U.S.C. § 136l, and the Consolidated Rules, 40 C.F.R. Part 22.

7. The Regional Judicial Officer is authorized to ratify this CAFO which memorializes a settlement between Complainant and Respondent. 40 C.F.R. §§ 22.4(b) and 22.18(b).

8. The issuance of this CAFO simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).

#### **C. STATUTORY AND REGULATORY BACKGROUND**

9. Congress enacted FIFRA, 7 U.S.C. 136 *et seq.*, in 1947 and amended it in 1972 and in 1996. The general purpose of FIFRA is to provide the basis for regulation, sale, distribution and use of pesticides in the United States.

10. Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), states that it shall be unlawful for any person to distribute or sell any pesticide that is not registered under Section 3 of FIFRA, 7 U.S.C. § 136a, or whose registration has been cancelled or suspended.

11. Pursuant to the regulation at 40 C.F.R. § 152.15, in relevant part, 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 the person who distributes or sells the substance claims, states, or implies (by labeling or otherwise) that the substance (either by itself or in combination with any other substance) can or should be used as a pesticide.

#### **Definitions**

12. Congress enacted FIFRA, 7 U.S.C. 136 et seq., in 1947 and amended it in 1972 and in 1996. The general purpose of FIFRA is to provide the basis for regulation, sale, distribution and use of pesticides in the United States.

13. Section 12(a)(2) of FIFRA, 7 U.S.C. § 136j(a)(2), provides that it shall be unlawful for any person to violate any order issued under Section 13 of FIFRA.

14. Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), provides that it is unlawful for any person in any State to distribute or sell to any person any pesticide that is not registered under Section 3 of FIFRA, 7 U.S.C. § 136a.

15. Section 2(s) of FIFRA, 7 U.S.C. § 136(s), defines “person” as any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.

16. Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), defines “to distribute or sell” as 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.

17. Section 2(u) of FIFRA, 7 U.S.C. § 136(u), defines “pesticide” as, inter alia, any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest and any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

18. Section 2(mm)(1) of FIFRA, 7 U.S.C. § 136(mm)(1) defines “antimicrobial pesticide” as a pesticide that is intended to disinfect, sanitize, reduce, or mitigate growth or development of microbiological organisms.

19. Section 2(t) of FIFRA, 7 U.S.C. § 136(t), defines “pest” as: (1) any insect, rodent, nematode, fungus, weed, or (2) any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other micro-organism on or in living man or other living animals) which the Administrator declares to be a pest under Section 25(c)(1).

20. The regulations found at 40 C.F.R. § 152.15(a)(1) and (b) further defines the term “pesticide” as any substance intended for a pesticidal purpose, and thus requiring registration, if the person who distributes or sells the substance claims, states, or implies (by labeling or otherwise) that the substance can or should be used as a pesticide; or the substance consists of or contains one or more active ingredients and has no significant commercially valuable use as distributed or sold other than use for pesticidal purpose.

21. Section 2(p)(1) of FIFRA, 7 U.S.C. § 136(p)(1), defines “label” as the written, printed, or graphic matter on, or attached to, the pesticide or device or any of its containers or wrappers.

22. Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), defines “to distribute or sell” 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.

23. Section 2(w) of FIFRA, 7 U.S.C. § 136(w), and the regulation at 40 C.F.R. § 167.3 define “produce” as meaning to manufacture, prepare, propagate, compound, or process any pesticide or device or active ingredient or to package, repack, label, relabel, or otherwise change the container of any pesticide or device.

24. Section 2(w) of FIFRA, 7 U.S.C. § 136(w), and the regulation at 40 C.F.R. § 167.3 define “producer” to mean any person who manufactures, prepares, compounds, propagates or processes any pesticide or device or active ingredient used in producing a pesticide (such actions include packaging, repackaging, labeling, and relabeling a pesticide).

25. Civil penalties under Section 14(a) of FIFRA, 7 U.S.C. § 136l(a) may be assessed by administrative order.<sup>1</sup>

#### **D. EPA FINDINGS OF FACT AND CONCLUSIONS OF LAW**

26. Respondent is, and at all times referred to herein was, a “person” as defined by Section 2(s) of FIFRA, 7 U.S.C. § 136(s).

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<sup>1</sup> The Administrator may assess an inflation-adjusted civil penalty per day for each violation of FIFRA pursuant to Section 14(a) of FIFRA, 7 U.S.C. § 136l(a) and 40 C.F.R. § 19.4.

27. Respondent owns and operates a company that engages in the wholesale distribution of its cleaning products and sales of those products in Sprouts locations, including the location at 1800 N. Henderson Ave. Dallas, TX 75206 (“Facility”)

28. Pursuant to Section 9 of FIFRA, 7 U.S.C. § 136g, the EPA conducted an investigation of the Facility on May 23, 2023, to determine Respondent’s compliance with FIFRA and the federal regulations promulgated thereunder (the “Investigation”).

29. At the time of the Investigation, Respondent was holding for distribution, holding for sale, or holding for shipment, the following pesticidal products:

- a. Koala Eco Natural Multi-Purpose Bathroom Cleaner;
- b. Koala Eco Natural Multi-Purpose Kitchen Cleaner;
- c. Koala Eco Natural Floor; and
- d. Koala Eco Natural Glass Cleaner (collectively the “Products”).

#### **E. ALLEGED VIOLATIONS**

30. The facts stated in the EPA Findings of Fact and Conclusions of Law above are herein incorporated.

31. Complainant hereby states and alleges that Respondent has violated FIFRA and federal regulations promulgated thereunder as stated below.

#### **Count 1. Koala Eco Natural Multi-Purpose Bathroom Cleaner**

32. The label on the Koala Eco Natural Multi-Purpose Bathroom Cleaner product states that it is a “Natural Disinfectant,” “Australian Certified Toxic-Free,” and “Natural & non-toxic.”

33. The inclusion of "Natural Disinfectant" on the Koala Eco Natural Multi-Purpose Bathroom Cleaner label implied that the product was a pesticide as that term is defined by Section 2(u) of FIFRA, 7 U.S.C. § 136(u), because it is a substance intended for preventing, destroying, repelling, or mitigating pests.

34. The inclusion of "Natural Disinfectant" on the Koala Eco Natural Multi-Purpose Bathroom Cleaner label implied that the product was an antimicrobial pesticide as that term is defined in Section 2(mm)(1) of FIFRA, 7 U.S.C. § 136(mm)(1), because it is intended to disinfect, sanitize, reduce, or mitigate growth or development of microbiological organisms.

35. The inclusion of "Natural Disinfectant" on the Koala Eco Natural Multi-Purpose Bathroom Cleaner label implied that the product was a "pesticide" as that term is further defined by 40 C.F.R. § 152.15, which requires registration pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a, because the product is a substance intended for pesticidal purposes for which Respondent states through labels when distributing or selling the product that the product can or should be used as a pesticide.

36. At the time the Koala Eco Natural Multi-Purpose Bathroom Cleaner was distributed or sold by Respondent, the product was not registered pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

37. From the time Respondent distributed or sold the Koala Eco Natural Multi-Purpose Bathroom Cleaner with a label describing the product as a "disinfectant," the product should have been registered pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

38. Respondent's sale and distribution of Koala Eco Natural Multi-Purpose Bathroom Cleaner with a label implied that the product is a "disinfectant," a pesticide that is not registered

under Section 3 of FIFRA, 7 U.S.C. § 136a, is a violation of Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A).

**Count 2 Koala Eco Natural Multi-Purpose Kitchen Cleaner**

39. The label on the Koala Eco Natural Multi-Purpose Kitchen Cleaner product states that it is a “Natural Disinfectant,” “Australian Certified Toxic-Free,” and “Natural & non-toxic.”

40. The inclusion of “Natural Disinfectant” on the Koala Eco Natural Multi-Purpose Kitchen Cleaner label implied that the product was a pesticide as that term is defined by Section 2(u) of FIFRA, 7 U.S.C. § 136(u), because it is a substance intended for preventing, destroying, repelling, or mitigating pests.

41. The inclusion of “Natural Disinfectant” on the Koala Eco Natural Multi-Purpose Kitchen Cleaner label implied that the product was an antimicrobial pesticide as that term is defined in Section 2(mm)(1) of FIFRA, 7 U.S.C. § 136(mm)(1), because it is intended to disinfect, sanitize, reduce, or mitigate growth or development of microbiological organisms.

42. The inclusion of “Natural Disinfectant” on the Koala Eco Natural Multi-Purpose Kitchen Cleaner label implied that the product was a “pesticide” as that term is further defined by 40 C.F.R. § 152.15, which requires registration pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a, because the product is a substance intended for pesticidal purposes for which Respondent states through labels when distributing or selling the product that the product can or should be used as a pesticide.

43. At the time the Koala Eco Natural Multi-Purpose Kitchen Cleaner was distributed or sold by Respondent, the product was not registered pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

44. From the time Respondent distributed or sold the Koala Eco Natural Multi-Purpose Kitchen Cleaner with a label describing the product as a “disinfectant,” the product should have been registered pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

45. Respondent’s sale and distribution of Koala Eco Natural Multi-Purpose Kitchen Cleaner with a label describing the product as a “disinfectant,” a pesticide that is not registered under Section 3 of FIFRA, 7 U.S.C. § 136a, is a violation of Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A).

**Count 3. Koala Eco Natural Floor Cleaner**

46. The label on the Koala Eco Natural Floor Cleaner product states that it is a “Natural Disinfectant,” “Australian Certified Toxic-Free,” and “Natural & non-toxic.”

47. The inclusion of “Natural Disinfectant” on the Koala Eco Natural Floor Cleaner label implied that the product was a pesticide as that term is defined by Section 2(u) of FIFRA, 7 U.S.C. § 136(u), because it is a substance intended for preventing, destroying, repelling, or mitigating pests.

48. The inclusion of “Natural Disinfectant” on the Koala Eco Natural Floor Cleaner label implied that the product was an antimicrobial pesticide as that term is defined in Section 2(mm)(1) of FIFRA, 7 U.S.C. § 136(mm)(1), because it is intended to disinfect, sanitize, reduce, or mitigate growth or development of microbiological organisms.

49. The inclusion of “Natural Disinfectant” on the Koala Eco Natural Floor Cleaner label implied that the product was a “pesticide” as that term is further defined by 40 C.F.R. § 152.15, which requires registration pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a, because the product is a substance intended for pesticidal purposes for which Respondent states through

labels when distributing or selling the product that the product can or should be used as a pesticide.

50. At the time the Koala Eco Natural Floor Cleaner was distributed or sold by Respondent, the product was not registered pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

51. From the time Respondent distributed or sold the Koala Eco Natural Floor Cleaner with a label describing the product as a “disinfectant,” the product should have been registered pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

52. Respondent’s sale and distribution of Koala Eco Natural Floor Cleaner with a label describing the product as a “disinfectant,” a pesticide that is not registered under Section 3 of FIFRA, 7 U.S.C. § 136a, is a violation of Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A).

#### **Count 4 Koala Eco Natural Glass Cleaner**

53. The label on the Koala Eco Natural Glass Kitchen Cleaner product states that it is a “Natural Disinfectant,” “Australian Certified Toxic-Free,” and “Natural & non-toxic.”

54. The inclusion of “Natural Disinfectant” on the Koala Eco Natural Glass Cleaner label implied that the product was a pesticide as that term is defined by Section 2(u) of FIFRA, 7 U.S.C. § 136(u), because it is a substance intended for preventing, destroying, repelling, or mitigating pests.

55. The inclusion of “Natural Disinfectant” on the Koala Eco Natural Glass Cleaner label implied that the product was an antimicrobial pesticide as that term is defined in Section 2(mm)(1) of FIFRA, 7 U.S.C. § 136(mm)(1), because it is intended to disinfect, sanitize, reduce, or mitigate growth or development of microbiological organisms.

56. The inclusion of “Natural Disinfectant” on the Koala Eco Natural Glass Cleaner label implied that the product was a “pesticide” as that term is further defined by 40 C.F.R. § 152.15, which requires registration pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a, because the product is a substance intended for pesticidal purposes for which Respondent states through labels when distributing or selling the product that the product can or should be used as a pesticide.

57. At the time the Koala Eco Natural Glass Cleaner was distributed or sold by Respondent, the product was not registered pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

58. From the time Respondent distributed or sold the Koala Eco Natural Glass Cleaner with a label describing the product as a “disinfectant,” the product should have been registered pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

59. Respondent’s sale and distribution of Koala Eco Natural Glass Cleaner with a label describing the product as a “disinfectant,” a pesticide that is not registered under Section 3 of FIFRA, 7 U.S.C. § 136a, is a violation of Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A).

#### **F. CONSENT AGREEMENT AND CIVIL PENALTY**

##### **General**

60. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

- a. admits the jurisdictional allegations set forth herein;
- b. neither admits nor denies the specific factual allegations stated herein;
- c. consents to the assessment of a civil penalty, as stated herein;

- d. consents to the issuance of the specified compliance or corrective action order;
- e. consents to any conditions specified herein;
- f. consents to any stated Permit Action;
- g. waives any right to contest the allegations set forth herein; and
- h. waives its rights to appeal the Final Order accompanying this CAFO.

61. By signing this CAFO, Respondent 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 this CAFO.

62. Respondent consents to the issuance of this CAFO and consents for the purposes of settlement to the payment of the civil penalty specified herein.

63. Respondent and EPA agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorneys' fees.

#### **Penalty Assessment and Collection**

64. Upon consideration of the entire record herein, including the Findings of Fact and Conclusions of Law, which are hereby adopted and made a part hereof, and upon consideration of the size of the business, the effect of Respondent's ability to continue business, the gravity of the violations, and other factors as justice may require, EPA has assessed a civil penalty in the amount of \$69,197 (the "EPA Penalty"). The EPA Penalty has been determined in accordance with Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), and at no time exceeded EPA's statutory authority.

65. Respondent agrees to:
- a. pay the EPA Penalty within sixty (60) calendar days after the Effective Date of this CAFO; and
  - b. pay the EPA Penalty and any interest (subject to 66(a) below), and fees or other charges required for use of 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>. However, for any payments made after September 30, 2025, and in accordance with the March 25, 2025 Executive Order on [Modernizing Payments To and From America's Bank Account](#), Respondent shall pay using one of the electronic payments methods listed on [EPA's How to Make a Payment website](#) and will not pay with a paper check.

For wire transfer, payment should be remitted to:

Federal Reserve Bank of New York  
ABA: 021030004  
Account Number: 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"

For Automated Clearinghouse (also known as "remittance express" or "REX"):

U.S. Treasury REX / Cashlink ACH Receiver  
ABA: 051036706  
Account Number: 310006, Environmental Protection Agency  
CTX Format Transaction Code 22 – checking  
Physical location of U.S. Treasury facility:  
5700 Rivertech Court  
Riverdale, MD 20737

For Online Payment:

<https://www.pay.gov/paygov/>  
Enter sfo 1.1 in search field  
Open form and complete required fields.

PLEASE NOTE: Respondent shall email a simultaneous notice of such payment and the transmittal letter to the following email addresses:

Lee McMillan  
U.S. EPA Region 6  
Mcmillan.Lee@epa.gov

and

Region 6 Hearing Clerk  
U.S. EPA Region 6  
Vaughn.Lorena@epa.gov

“Proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, or 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.

66. Pursuant to 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if

Respondent fails to timely pay any portion of the EPA Penalty per this CAFO, the entire unpaid balance of the EPA Penalty and all accrued interest shall become immediately due and owing, and EPA is authorized to recover the following amounts.

a. Interest. Interest begins to accrue from the Effective Date. If the EPA Penalty is paid in full within sixty (60) days, interest accrued is waived. If the EPA Penalty is not paid in full within sixty (60) days, interest will continue to accrue until any unpaid portion of the EPA Penalty as well as any interest, penalties, and other charges are paid in full. To protect the interests of the United States the rate of interest is set at the IRS large corporate underpayment rate, any lower rate would fail to provide Respondent adequate incentive for timely payment.

b. Handling Charges. Respondent will be assessed monthly a charge to cover EPA's costs of processing and handling overdue debts.

c. Late Payment Penalty. A late payment penalty of six percent (6%) per annum, will be assessed monthly on all debts, including any portion of the EPA Penalty, interest, penalties, and other charges, that remain delinquent more than ninety (90) days.

67. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the EPA Penalty per this CAFO, EPA may take additional actions. Such actions EPA may take include, but are not limited to, the following.:

a. refer the debt to a credit reporting agency, a collection agency, or request that the Attorney General bring civil action in the appropriate United States District Court (in which the validity, amount, and appropriateness of the assessed penalty and of this CAFO shall not be subject to review) to secure payment of the debt, which may

include the original penalty, enforcement and collection expenses, nonpayment penalty and interest, 7 U.S.C. § 136l(a)(5) and 40 C.F.R. §§ 13.13 and 13.14;

b. collect the above-referenced 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, 40 C.F.R. Part 13, Subparts C and H; and

c. suspend or revoke Respondent's licenses or other privileges or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, 40 C.F.R. § 13.17.

#### **Additional Terms of Settlement**

68. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, employees, agents, trustees, servants, authorized representatives, successors and assigns. Respondent shall ensure that all contractors, employees, consultants, firms, or other persons or entities acting for Respondent with respect to matters included herein comply with the terms of this CAFO.

69. Any change in the legal status of the 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.

70. By signing this CAFO, Respondent acknowledges that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential business information. *See* 40 C.F.R. Part 2, Subpart B (Confidentiality of Business Information).

71. By signing this CAFO, Respondent certifies that the information it has supplied concerning this matter was at the time of submission, and is, truthful, accurate, and complete for each 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.

72. By signing this CAFO, Respondent certifies that it is presently in compliance with all requirements of FIFRA and its implementing regulations.

73. By signing this CAFO, the undersigned representative of Respondent certifies that it is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the party it represents to this CAFO.

74. Respondent and EPA agree to the use of electronic signatures for this matter. EPA and Respondent consent to service of a final order by email at the following valid email addresses: Henley.Hollis@epa.gov (for EPA) and kgoodhart@cooley.com (for Respondent).

75. Respondent specifically waives its right to seek reimbursement of its costs and attorney's fees under 5 U.S.C. § 504 and 40 C.F.R. Part 17.

76. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to the Internal Revenue Service ("IRS") annually, a completed IRS Form 1098-F ("Fines, Penalties, and Other Amounts") with respect to any court order or settlement agreement (including administrative settlements), that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor's violation of any law or the investigation or inquiry into the payor's potential violation of any law, including amounts paid for "restitution or remediation of property" or to come "into compliance with a

law.” EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Failure to comply with providing IRS Form W-9 or Tax Identification Number (“TIN”), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. In order to provide EPA with sufficient information to enable it to fulfill these obligations, EPA herein requires, and Respondent herein agrees, that:

- a. Respondent shall complete an IRS Form W-9 (“Request for Taxpayer Identification Number and Certification”), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>;
- b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent’s correct TIN or that Respondent has applied and is waiting for issuance of a TIN; Respondent shall email its completed Form W-9 to EPA’s Cincinnati Finance Center at [chalifoux.jessica@epa.gov](mailto:chalifoux.jessica@epa.gov) within sixty (60) days after the Final Order ratifying this Agreement is filed, and EPA recommends encrypting IRS Form W-9 email correspondence; and
- c. In the event that Respondent has certified in its completed IRS Form W-9 that it has applied for a TIN and that TIN has not been issued to Respondent within sixty (60) days after the Effective Date, then Respondent, using the same email address identified in the preceding sub-paragraph, shall further:
  1. Notify EPA’s Cincinnati Finance Center of this fact, via email, within sixty (60) days after the Effective Date of this CAFO; and

2. Provide EPA's Cincinnati Finance Center with Respondent's TIN, via email, within five (5) days of Respondent's issuance and receipt of the TIN.

**G. EFFECT OF CONSENT AGREEMENT AND RESERVATION OF RIGHTS**

77. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations and facts alleged in Sections D and E above. Complainant reserves the right to take any enforcement action with respect to any other violations of FIFRA or any other applicable law.

78. The terms, conditions and 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.

79. Penalties paid pursuant to this CAFO shall not be deductible for purposes of Federal, State, and local taxes.

80. Any violation of the included Final Order may result in a civil judicial action for an injunction or civil penalties as provided in Section 14(a) of the Act, 7 U.S.C. § 136l(a) and adjusted for inflation pursuant to 40 C.F.R. Part 19, as well as criminal sanctions as provided in Section 14(a) of the Act, 7 U.S.C. § 136l(b). EPA may use any information submitted under this CAFO in an administrative, civil judicial, or criminal action.

81. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws or statutes, nor shall it restrict EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or a determination of, any issue related to any federal, state, or

local permit. EPA does not, by its consent to the entry of this CAFO, warrant or aver in any manner that Respondent's compliance with any aspect of this CAFO will result in compliance with provisions of FIFRA, 7 U.S.C. § 136 *et seq.*, or with any other provisions of federal, state, or local laws, regulations, or permits.

82. Nothing herein shall be construed to limit the power of EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

83. If and to the extent 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 EPA, EPA reserves any and all of its legal and equitable rights.

#### **H. EFFECTIVE DATE**

84. Respondent and Complainant agree to the issuance of the included Final Order. Upon filing, EPA will transmit a copy of the filed CAFO to Respondent. 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. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

The foregoing Consent Agreement In the Koala Eco Company USA, Limited, Docket No. FIFRA-06-2025-0443, is Hereby Stipulated, Agreed, and Approved for Entry.

**FOR RESPONDENT:**

**KOALA ECO COMPANY USA, LIMITED**

Date: January 30, 2026

Paul Davidson  
Signature

Paul Davidson  
Print Name

CEO  
Title

**FOR COMPLAINANT:**

**U.S. ENVIRONMENTAL PROTECTION AGENCY**

Date: February 2, 2026

Cheryl T. Seager  
Digitally signed by  
CHERYL SEAGER  
Date: 2026.02.02  
16:31:00 -06'00'  
Cheryl T. Seager  
Director  
Enforcement and  
Compliance Assurance Division  
U.S. EPA, Region 6

**FINAL ORDER**

Pursuant to Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), and 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, the foregoing Consent Agreement resolving this matter is hereby ratified and incorporated by reference into this Final Order.

Respondent is ORDERED to comply with all of the terms of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), 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.

This Final Order shall resolve only those causes of action alleged in the Consent Agreement. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondents' (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action.

IT IS SO ORDERED.

Dated \_\_\_\_\_

**ELIZABETH RYLAND**  
Digitally signed by  
ELIZABETH RYLAND  
Date: 2026.02.03  
10:06:47 -06'00'

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Renea Ryland  
Acting Regional Judicial Officer

**CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the foregoing Consent Agreement and Final Order was filed with me, the Regional Hearing Clerk, U.S. EPA - Region 6, 1201 Elm Street, Suite 500, Dallas, Texas 75270-2102, and that I sent a true and correct copy on this day in the following manner to the email addresses:

**Copy via Email to Complainant:**

Henley.Hollis@epa.gov

**Copy via Email to Respondent:**

kgoodhart@cooley.com  
Kathleen Goodhart  
Counsel for Koala Eco  
Cooley LLP  
3 Embarcadero Center, 20th Floor  
San Francisco, CA 94111-4004

LORENA  
VAUGHN

Digitally signed by  
LORENA VAUGHN  
Date: 2026.02.03  
10:49:19 -06'00'

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Regional Hearing Clerk  
U.S. EPA, Region 6