



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

JAN 19 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Eric Squire
President
Owensboro Specialty Polymers
5529 U.S. Highway 60 East
Owensboro, Kentucky 42303

Re: Expedited Settlement Agreement
CAA-04-2012-8005(b)

Dear Mr. Squire:

Enclosed please find an executed copy of the Expedited Settlement Agreement (ESA) that resolves the Clean Air Act (CAA) matter (Docket No. CAA-04-2012-8005(b)) involving Owensboro Specialty Polymers. The ESA was filed with the Regional Hearing Clerk, as required by 40 CFR Part 22 and became effective on today's date.

As required by the ESA, within fifteen days of receipt of this letter, payment to the Treasurer, United States of America in the amount of \$7,300 should be submitted as follows:

For payment sent via electronic transfer

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, New York 10045
Field Tag 4200 of the Fedwire message should read:
"D 68010727 Environmental Protection Agency";

For payment sent via U.S. Postal Service

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

For payment sent via overnight mail service (FedEx, UPS)

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, MO 63101
Contact: Natalie Pearson @ 314-418-4087.

Also, a written statement that payment has been made in accordance with the ESA should be sent to the following individuals:

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

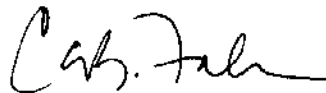
Victor L. Weeks
EPCRA Enforcement Section
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303; and

Saundi Wilson
Office of Environmental Accountability
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303.

Also enclosed, please find a copy of the "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 Security and Exchange Commission (SEC) any environmental enforcement actions taken by the EPA. If you have any questions with regards to the SEC's environmental disclosure requirements, you may refer to the contact phone number at the bottom of the SEC Notice.

If you need additional information in this matter, please call Victor Weeks at (404) 562-9189.

Sincerely,



Caron B. Falconer
Chief, EPCRA Enforcement Section

Enclosures

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4

EXPEDITED SETTLEMENT
AGREEMENT

HEARING CLERK

2012 JAN 19 PM 4:22

RECEIVED
EPA REGION IV

DOCKET NO: CAA-04-2012-8005(b)

This ESA is issued to: Owensboro Specialty Polymers
5529 U.S. Highway 60 East
Owensboro, KY 42303

for violating 40 CFR § 68.15, 40 CFR § 68.67, 40 CFR § 68.69, 40 CFR § 68.71,
40 CFR § 68.79, 40 CFR § 68.195 and Section 112(r)(7) of the Clean Air Act.

This Expedited Settlement Agreement (ESA) is being entered into by the United States Environmental Protection Agency (EPA), Region 4, the Director of the Air, Pesticides and Toxics Management Division (Complainant), and by Owensboro Specialty Polymers (Respondent), pursuant to Section 113(d) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(d), and pursuant to 40 CFR § 22.13(b).

ALLEGED VIOLATIONS

Based on a compliance monitoring inspection conducted at the Respondent's facility located at 5529 U.S. Highway 60 East, Owensboro, Kentucky, on January 4, 2011, EPA alleges that the Respondent violated the Act's Chemical Accident Prevention Program when at the time of inspection, Respondent did not provide evidence that:

It has documented other persons responsible for implementing individual requirements of the risk management program and defined the lines of authority through an organization chart or similar document as required by 40 CFR § 68.15(c);

It has addressed stationary source siting as part of its process hazard analysis as required by 40 CFR § 68.67(c)(5);

Its written operating procedures address emergency shutdown including the conditions under which emergency shutdown is required, and the assignment of shutdown responsibility to qualified operators to ensure that emergency shutdown is executed in a safe and timely manner as required by 40 CFR § 68.69(a)(1)(iv);

Its written operating procedures address precautions necessary to prevent exposure, including engineering controls and administrative controls as required by 40 CFR § 68.69(a)(3)(ii);

It has provided refresher training at least every three years, or more often if necessary, to each employee operating a process, to ensure that the employee understands and adheres to the current operating procedures of the process as required by 40 CFR § 68.71(b);

It has, at least every three years, certified that it has evaluated its compliance with the provisions of 40 CFR Part 68 to verify that its accident prevention program procedures and practices are adequate and are being followed as required by 40 CFR § 68.79(a); and

As required by 40 CFR § 68.195(b), it submitted a corrected Risk Management Plan within one month of any change in its emergency contact information required under 40 CFR § 68.160(b)(6).

SETTLEMENT

In consideration of Respondent's size, its full compliance history, its good faith effort to comply, and other factors as justice may require, and upon consideration of the entire record the parties enter into the ESA in order to settle the violation cited above, for the total penalty amount of **\$7300**.

This settlement is subject to the following terms and conditions: the Respondent by signing below admits the jurisdictional allegations contained herein, neither admits nor denies the specific factual allegations contained herein, and consents to the assessment of the penalty as stated above; Respondent waives its rights to a hearing afforded by Section 113(d)(2)(A) of the Act, 42 U.S.C § 7413(d)(2)(A), and to contest the allegations contained in this ESA; and each party to this action shall bear its own costs and fees, if any.

Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the Respondent has corrected the alleged violation listed in this ESA and is compliant with the applicable requirements of Section 112(r) of the CAA.

Respondent shall pay a civil penalty of \$7300. **Please note that payment should not be made until after Respondent receives a copy of the fully executed ESA.** Within fifteen (15) days of

receiving a copy of the fully executed ESA, the Respondent shall send a cashier's check or certified check (payable to the "Treasurer, United States of America") in the amount of \$7300, in payment of the full penalty amount to one of the following addresses:

For payment sent via electronic transfer

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, New York 10045
Field Tag 4200 of the Fedwire message should read:
"D 68010727 Environmental Protection Agency";

For payment sent via U.S. Postal Service

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

For payment sent via overnight mail service (FedEx, UPS)

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, MO 63101
Contact: Natalie Pearson @ 314-418-4087.

The Respondent's name and the Docket Number of this ESA must be included on the check. The Docket Number is located at the top left corner of the first page of this ESA.

At the time of payment, Respondent shall send a separate copy of the check, and a written statement that payment has been made in accordance with this ESA to:

Saundi Wilson
U. S. EPA Region 4
Office of Environmental Accountability
61 Forsyth Street
Atlanta, Georgia 30303, and

Victor L. Weeks
U. S. EPA Region 4
EPCRA Enforcement Section
61 Forsyth Street
Atlanta, Georgia 30303

Upon Respondent's correction of alleged violations and payment of the penalty, EPA will take no further civil action against Respondent for the alleged violation of the Act referenced in this ESA. EPA does not waive any other enforcement action for any other violations of the Act or any other statute.

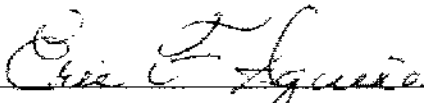
The following individual represents EPA in this matter and is authorized to receive service for EPA in this proceeding:

Caron B. Falconer
U. S. EPA - Region 4
EPCRA Enforcement Section
61 Forsyth St.
Atlanta, Georgia 30303
(404) 562-8451

This ESA is binding on the parties signing below.

This ESA is effective upon filing with the Regional Hearing Clerk.

FOR RESPONDENT:

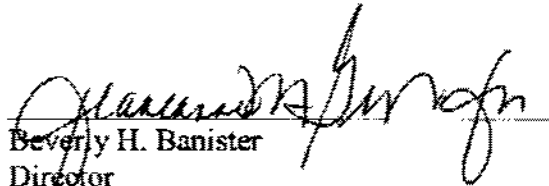


Date: 12-12-11

Name (print): ERIC Squice

Title (print): President
Owensboro Specialty Polymers

FOR COMPLAINANT:



Date: 12-6-11

Beverly H. Banister
Director
Air, Pesticides & Toxics
Management Division
Region 4

I hereby ratify the ESA and incorporate it herein by reference. It is so ORDERED.



Date: 1/19/12

Susan B. Schub
Regional Judicial Officer

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing Expedited Settlement Agreement, in the matter of Owensboro Specialty Polymers, CAA-04-2012-8005(b), on the parties listed below in the manner indicated:

Caron B. Falconer
U. S. EPA - Region 4
Air, Pesticides and Toxics
Management Division
61 Forsyth Street
Atlanta, GA 30303

(Via EPA's internal mail)

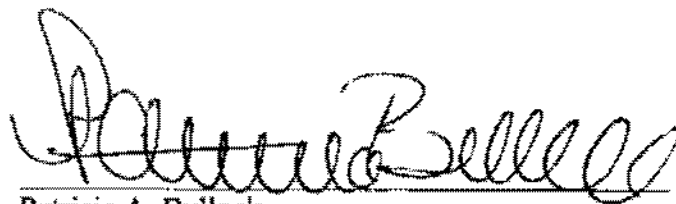
Ellen Rouch
U. S. EPA - Region 4
Office of Environmental Accountability
61 Forsyth Street
Atlanta, GA 30303

(Via EPA's internal mail)

Mr. Eric Squire
President
Owensboro Specialty Polymers
5529 U.S. Highway 60 East
Owensboro, Kentucky 42303

(Via Certified Mail -
Return Receipt Requested)

Date: 1-19-12



Patricia A. Bullock
Regional Hearing Clerk
United States Environmental Protection Agency
Region 4
Sam Nunn Atlanta Federal Center
61 Forsyth Street
Atlanta, Georgia 30303
404-562-9686