



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

JUL 29 2008

4APT-PTSB

Certified Mail – Return Receipt Requested

Mr. Charles Stockham
SVI Corporation
90 Aviemore Drive
Pinehurst, NC 28374

SUBJ: Docket No. TSCA-04-2008-2503(b)
SVI Corporation

Dear Mr. Stockham:

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.

As stated in Section 21 of the CAFO, the assessed penalty of \$ 15,476 is due within 30 days from the effective date. Please ensure that the face of your cashier's or certified check includes the name of the company and the docket number of this case.

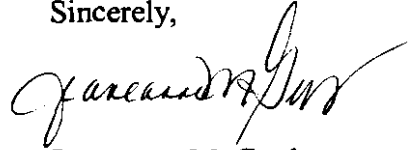
Penalty payment questions should be directed to Ms. Lori Weidner either by telephone at (513) 487-2125 or by written correspondence to her attention at U.S. Environmental Protection Agency (EPA), Cincinnati Accounting Operations address identified in the CAFO. Should you have any questions about this matter or your compliance status in the future, please call me at (404) 562-8979 or Ms. Mary Summers at (404) 562-8992.

Internet Address (URL) • <http://www.epa.gov>

Recycled/Recyclable • Printed with Vegetable Oil Based Inks on Recycled Paper (Minimum 30% Postconsumer)

Also enclosed, is a copy of the October 2001 *Enforcement Alert* titled "U.S. EPA Notifying Defendants of Securities and Exchange Commission's Environmental Disclosure Requirements." This document puts you on notice of your potential duty to disclose to the Securities and Exchange Commission any environmental enforcement actions taken by EPA. Please note that the contact phone number on page three of the Notice has been changed to (202) 551-3115.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeaneanne M. Gettle". The signature is fluid and cursive, with a large initial "J" and "G".

Jeaneanne M. Gettle
Chief
Pesticides and Toxic
Substances Branch

Enclosures

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
ATLANTA, GEORGIA

In the Matter of:)
)
SVI Corporation,)
)
)
Respondent.)
_____)

Docket No. TSCA-04-2008-2503(b)

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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. Complainant is the Director of the Air, Pesticides, and Toxics Management Division, United States Environmental Protection Agency, Region 4 (EPA). Respondent is SVI Corporation.
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. The Administrator of EPA promulgated rules in 40 C.F.R. Part 761, pursuant to Section 6(e) of TSCA, 15 U.S.C. § 2605. Failure to comply with any such rule constitutes a violation of Section 15 of TSCA, 15 U.S.C. § 2614. Any person who violates a provision of Section 15 of TSCA may be assessed a penalty of up to \$27,500 for each such violation occurring between January 30, 1997, and March 15, 2004, in accordance with Section 16(a) of TSCA and 40 C.F.R. Part 19, as amended. For each such violation occurring after March 15, 2004, a penalty of up to \$32,500 may be assessed. Each day a violation continues may constitute a separate violation.
4. The authority to take action under Section 16(a) of TSCA, 15 U.S.C. § 2615(a), is vested in the Administrator of EPA. The Administrator of EPA has delegated this authority under TSCA to EPA Region 4 by EPA Delegation 12-2-A, dated May 11, 1994.
5. Pursuant to 40 C.F.R. § 22.5(c)(4) the following individual represents EPA in this matter and is authorized to receive service for EPA in this proceeding:

Mary Summers
PCB and Chemical Products
Management Section
U.S. EPA Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960
(404) 562-8997.

III. Specific Allegations

6. Until May 9, 2007, Respondent owned a facility located at 4000 10th Avenue North, Birmingham, Alabama. Respondent is a "person" as defined in 40 C.F.R. §761.3.
7. A Polychlorinated Biphenyl (PCB) Item, as defined in 40 C.F.R. §761.3, is any PCB Article, PCB Article Container, PCB Container, PCB Equipment, or anything that deliberately or unintentionally contains or has a part of it any PCB or PCBs.

8. On or about February 6, 2007, an inspection was conducted at Respondent's facility to determine compliance with regulations promulgated under Section 6(e) of TSCA pertaining to PCBs.
9. The Inspector found six (6) Large High Voltage PCB Capacitors stored at the facility when it was inspected on February 6, 2007. The Inspector observed nine (9) additional Large High Voltage PCB Capacitors stored on pallets, awaiting disposal, during a subsequent inspection on April 10, 2008. All fifteen (15) PCB Capacitors were onsite at the time of the February 6, 2007, inspection, and were subsequently moved from one large warehouse onsite at the facility, to the storage area where they were observed sitting on pallets during the follow-up inspection conducted on April 10, 2008.
10. Pursuant to 40 C.F.R. § 761.40(a)(3), PCB Large High Voltage Capacitors in existence on or after July 1, 1978, shall be marked as illustrated in Figure 1 in § 761.45(a). Respondent failed to mark the PCB Large High Voltage Capacitors with this TSCA PCB label as required in 40 C.F.R. § 761.40(a)(3).
11. At the time of the initial inspection, Respondent had a total of fifteen (15) PCB Capacitors stored at its facility. These PCB Capacitors were stored for over a one year period. Pursuant to 40 C.F.R. § 761.65(a)(1), any PCB waste shall be disposed of within one year from the date it was determined to be PCB waste and the decision was made to dispose of it. Respondent failed to dispose of fifteen (15) PCB Capacitors as required in 40 C.F.R. § 761.65(a)(1).
12. There were a total of fifteen (15) PCB Capacitors stored on pallets at the facility for disposal at the time of the inspections. These PCB Capacitors did not have the out-of-service dates on them showing when they were removed from service. Pursuant to 40 C.F.R. § 761.65(c)(8), "PCB Items shall be dated on the item when they are removed

from service for disposal.” Respondent failed to put the out-of-service dates on their PCB Capacitors as required in 40 C.F.R. § 761.65(c)(8).

13. Respondent had a total of fifteen (15) PCB Capacitors stored on pallets for disposal. Pursuant to 40 C.F.R. § 761.65(c)(5), “All PCB Items in storage shall be checked for leaks at least once every 30 days.” Additionally, the regulation requires that records of the inspections be maintained. Respondent failed to conduct and maintain records of inspections on their PCB Capacitors as required in 40 C.F.R. § 761.65(c)(5).
14. Respondent had a total of fifteen (15) PCB Capacitors stored on pallets for disposal. Pursuant to 40 C.F.R. §§ 761.180(a) & (b), for all PCBs and PCB Items in service or projected for disposal, beginning February 5, 1990, each owner or operator of a facility, using or storing at any one time at least 45 kilograms of PCBs “shall develop and maintain at the facility all annual records and the written annual document log of the disposition of PCBs and PCB Items.” Respondent failed to develop and maintain at its facility any annual records and the written annual document logs of the dispositions of its PCBs and PCB Items as required in 40 C.F.R. § 761.180(a)&(b).

IV. Consent Agreement

15. For the purposes of this CAFO, Respondent admits the jurisdictional allegations set forth above and neither admits nor denies the factual allegations.
16. Respondent waives its right to a hearing on the allegations contained herein and its right to appeal the proposed final order accompanying the consent agreement.
17. Respondent consents to the assessment of the penalty proposed by EPA and agrees to pay the civil penalty as set forth in this CAFO.
18. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of TSCA.

19. This CAFO constitutes a settlement by EPA of all claims for civil penalties pursuant to Section 16 (a) of TSCA, for the specific violations alleged herein. Except as specifically provided in this CAFO, EPA reserves all other civil and criminal enforcement authorities, including the authority to address imminent hazards. Compliance with this CAFO shall not be a defense to any other actions subsequently commenced pursuant to Federal laws and regulations administered by EPA, and it is Respondent's responsibility to comply with said laws and regulations.
20. Complainant and Respondent agree to settle this matter by their execution of this CAFO. The parties agree that the settlement of this matter is in the public interest and that this CAFO is consistent with the applicable requirements of TSCA.

V. Final Order

21. Respondent is assessed a civil penalty of FIFTEEN THOUSAND, FOUR HUNDRED SEVENTY-SIX DOLLARS (\$15,476.00), which shall be paid within 30 days from the effective date of this CAFO.
22. Respondent shall remit the civil penalty by either a cashier's or certified check made payable to the "Treasurer, United States of America," and shall send the check to the following address by U.S. Postal Service:

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

The check shall reference on its face the name of the Respondent and Docket Number of this CAFO.

For payment submittal by any overnight mail service (Fed Ex, UPS, DHL, etc.), please use the following address:

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

Contact: Natalie Pearson (314) 418-4087

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

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

Mary Summers
PCBs and Chemical Products
Management Section
U.S. EPA Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960;

and

Saundi Wilson
Office of Environmental Accountability
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960.

24. 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 made pursuant to this CAFO. Any attempt by Respondent to deduct any such payments shall constitute a violation of this CAFO.

25. Pursuant to 31 U.S.C. § 3717, 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, a late payment penalty charge shall be applied on any principal amount not paid within 90 days of the due date.
26. Complainant and Respondent shall bear their own costs and attorney fees in this matter.
27. This CAFO shall be binding upon the Respondent, its successors and assigns.
28. The undersigned representative of the party 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.

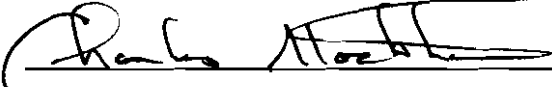
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VI. Effective Date

29. 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: SVI Corporation
Docket No.: TSCA-04-2008-2503(b)

By:  (Signature) Date: 7/10/08

Name: Charles Stockham (Typed or Printed)

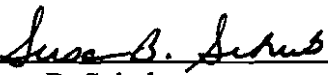
Title: President (Typed or Printed)

Complainant: U.S. Environmental Protection Agency

By:  Date: 7/21/08

Beverly H. Banister
Director
Air, Pesticides and Toxics
Management Division
61 Forsyth Street
Atlanta, Georgia 30303-8960

APPROVED AND SO ORDERED this 29th day of July, 2008.

By: 
Susan B. Schub
Regional Judicial Officer

CERTIFICATE OF SERVICE

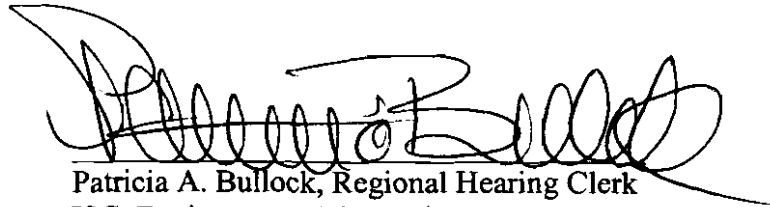
I hereby certify that on the date set out below, I filed the original and one copy of the foregoing Consent Agreement and Final Order and served a true and correct copy of the foregoing Consent Agreement and Final Order, In the Matter of SVI Corporation, Docket Number: TSCA-04-2008-2503(b), to the addressees listed below.

Mr. Charles Stockham (via Certified Mail, Return Receipt Requested)
SVI Corporation
90 Avimore Drive
Pinehurst, NC 28374

Mary Summers (via EPA's internal mail)
PCBs and Chemical Products
Management Section
U.S. EPA Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960

Robert Caplan (via EPA's internal mail)
Office of Environmental Accountability
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960.

Date: 7-29-08



Patricia A. Bullock, Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 4
Atlanta Federal Center
61 Forsyth St., SW
Atlanta, GA 30303
(404) 562-9511

EPA ACCOUNTS RECEIVABLE CONTROL NUMBER FORM

TO BE COMPLETED BY THE ORIGINATING OFFICE:

(Attach a copy of the final order and transmittal letter to Defendant/Respondent)

This form was originated by: Saundi Wilson on 7/23/08
(Name) (Date)

in the Region 4, ORC, OEA at (404) 562-9504
(Office) (Telephone Number)

Non-SF Judicial Order/Consent Decree
USAO COLLECTS

Administrative Order/Consent Agreement
FMO COLLECTS PAYMENT

SF Judicial Order/Consent Decree
DOJ COLLECTS

Oversight Billing - Cost Package required:
Sent with bill

Not sent with bill

Other Receivable

Oversight Billing - Cost Package not required

This is an original debt

This is a modification

PAYEE: SVI Corporation
(Name of person and/or Company/Municipality making the payment)

The Total Dollar Amount of the Receivable: \$ 15476
(If installments, attach schedule of amounts and respective due dates. See Other side of this form.)

The Case Docket Number: TSCA 04-2008-2503(8)

The Site Specific Superfund Account Number: _____

The Designated Regional/Headquarters Program Office: _____

The IFMS Accounts Receivable Control Number is: _____ Date _____

If you have any questions, please call: _____ of the Financial Management Section at: _____

DISTRIBUTION:

A. **JUDICIAL ORDERS:** Copies of this form with an attached copy of the front page of the **FINAL JUDICIAL ORDER** should be mailed to:

1. Debt Tracking Officer
Environmental Enforcement Section
Department of Justice RM 1647
P.O. Box 7611, Benjamin Franklin Station
Washington, D.C. 20044

2. Originating Office (EAD)
3. Designated Program Office

B. **ADMINISTRATIVE ORDERS:** Copies of this form with an attached copy of the front page of the Administrative Order should be to:

1. Originating Office
2. Regional Hearing Clerk

3. Designated Program Office
4. Regional Counsel (EAD)