

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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

JUN 0 5 2009

4APT-PTSB

Certified Mail - Return Receipt Requested

Byron Owens, President Vesture Corporation 120 E. Pritchard Street Asheboro, NC 27203

SUBJ: Docket No. FIFRA-04-2009-3017(b)

Vesture Corporation

Dear Mr. Owens:

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 V of the CAFO, the first installment payment of \$919.00 of the assessed penalty of \$7,345 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 the U.S. Environmental Protection Agency, 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. Cheryn Jones at (404) 562-9006.

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 (SEC) any environmental enforcement actions taken by EPA.

Sincerely.

Jeaneanne M. Gettle

Chief

Pesticides and Toxic Substances Branch

Enclosures

cc: Ms. Shannon Joyner

North Carolina Department of Agriculture

and Consumer Services State File No. 0312081501

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY ATLANTA, GEORGIA

In the Matter of:)	<u> </u>
Vesture Corporation)	Docket No. FIFRA-04-2009-3017(b)
Respondent.)	

CONSENT AGREEMENT AND FINAL ORDER

I. Nature of the Action

- 1. This is a civil penalty proceeding pursuant to Section 14(a) of the Federal Insecticide,
 Fungicide, and Rodenticide Act, as amended, 7 U.S.C. § 136l(a) (FIFRA), 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 CFR Part 22. Complainant is the Director of the Air, Pesticides, and Toxics
 Management Division, United States Environmental Protection Agency, Region 4 (EPA).
 Respondent is Vesture Corporation.
- 2. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 CFR § 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 CFR § 22.13(b), this Consent Agreement and Final Order (CAFO) will simultaneously commence and conclude this matter.

II. Preliminary Statements

- 3. The authority to take action under Section 14(a) of FIFRA, 7 U.S.C. § 136*l*(a), is vested in the Administrator of EPA. The Administrator of EPA has delegated this authority under FIFRA to EPA Region 4 by EPA Delegation 5-14, dated May 11, 1994.
- 4. 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:

Cheryn L. Jones
Pesticides Management Section
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960
(404) 562-9006.

- Respondent is Vesture Corporation, a North Carolina corporation, located at 120 East
 Pritchard Street, Asheboro, NC 27203.
- 6. Respondent is a "person" as defined by Section 2(s) of FIFRA, 7 U.S.C. § 136(s), and as such is subject to FIFRA and the regulations promulgated thereunder.
- Respondent is registered as an EPA establishment and has been assigned EPA
 Establishment No. 83902-NC-001.

III. Specific Allegations

- 8. On or about March 12, 2008, an authorized representative of the EPA conducted an inspection at Vesture Corporation, 120 East Pritchard Street, Asheboro, NC. During the inspection, "Cuisine Clean" was identified as being sold and distributed by the Respondent.
- Cuisine Clean is imported from China and produced for Respondent by Zhongsham
 Eastech Electrical Appliance Co., Ltd.

- 10. Cuisine Clean is a device as defined in Section 2(h) of FIFRA, 7 U.S.C. § 136(h), which includes instruments intended for trapping, destroying, repelling, or mitigating pests.
- 11. A pest is defined in Section 2(t) of FIFRA, 7 U.S.C. §136(t), as any insect, rodent, nematode, fungus, weed, or any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other microorganisms on or in living man or other living animals) which the Administrator declares to be a pest under Section 25(c)(1) of FIFRA, 7 U.S.C. § 136w(c)(1).
- 12. The requirements for pesticide devices are set forth at 40 C.F.R. § 152.500, which states in part that devices are subject to the requirements set forth in: Section 2(q)(1) of FIFRA, 7 U.S.C. § 136(q)(1), and 40 C.F.R. § 156.10 with respect to labeling; Section 7 of FIFRA, 7 U.S.C. § 136(e), and 40 C.F.R. Part 167 with respect to establishment registration and reporting; and Section 17 of FIFRA, 7 U.S.C. § 1360, with respect to import and export.
- 13. Respondent "distributes or sells" pesticide devices. The term "to distribute or sell" as defined by Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), includes to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, or release for shipment.
- 14. At the time of the inspection, the inspector documented at least one box containing Cuisine Clean that was offered for sale and was packaged, labeled and released for shipment.
- 15. 40 C.F.R. § 156.10(a)(5)(v) states that a pesticide device is false or misleading if it bears a statement that directly or indirectly implies that the device is recommended or endorsed by any agency of the Federal Government.

- 16. Section 2(q)(1)(A) of FIFRA, 7 U.S.C. § 136(q)(1)(A), defines misbranding to include labeling that bears any statement, design, or graphic representation relative thereto or to its ingredients which is false or misleading in any particular.
- 17. At the time of the inspection, the label on Cuisine Clean, as packaged, labeled and released for shipment, bore a statement that implied that the device was recommended or endorsed by the Food and Drug Administration.
- 18. Section 2(q)(1)(D) of FIFRA, 7 U.S.C. § 136(q)(1)(D), states a pesticide is misbranded if its label fails to bear the registration number assigned under Section 7 of FIFRA, 7 U.S.C. § 136(e), of the establishment in which it was produced.
- 19. At the time of the inspection, the label of Cuisine Clean, as packaged, labeled and released for shipment, failed to bear the EPA Establishment Number of the establishment in which it was produced.
- 20. According to Section 12(a)(1)(F) of FIFRA, 7 U.S.C. § 136j(a)(1)(F), it is unlawful for any person in any state to distribute or sell a pesticide device which is misbranded.
- 21. Respondent violated Section 12(a)(1)(F) of FIFRA, 7 U.S.C. § 136j(a)(1)(F), on at least one occasion and is therefore subject to the assessment of civil penalties under Section 14 of FIFRA, 7 U.S.C. § 136l.
- 22. Section 12(a)(2)(N) of FIFRA, 7 U.S.C. § 136j(a)(2)(N), states that it is unlawful for a registrant, wholesaler, dealer, retailer, or other distributor to fail to file required reports.
- 23. The Notice of Arrival of Pesticides and Devices is a report required by FIFRA that must be filed with the Administrator of EPA prior to the arrival of each pesticide shipped into the United States.

- 24. Respondent imported Cuisine Clean without filing a Notice of Arrival of Pesticides and Devices with the Administrator of EPA.
- 25. Respondent violated Section 12(a)(2)(N) of FIFRA, 7 U.S.C. § 136j(a)(2)(N), on at least one occasion is therefore subject to the assessment of civil penalties under Section 14 of FIFRA, 7 U.S.C. § 136l.
- 26. Section 14(a) of FIFRA, 7 U.S.C. §136*l*(a), in conjunction with the Debt Collection Improvement Act of 1996, authorizes the assessment of a civil penalty.
- 27. Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), requires EPA to consider the appropriateness of the assessed penalty to the size of business of the Respondent, the effect on Respondent's ability to continue in business, and the gravity of the violation. After consideration of the factors set forth in Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), the EPA proposes to assess a total civil penalty of SEVEN THOUSAND THREE HUNDRED FORTY FIVE DOLLARS (\$7,345) against the Respondent for the above-described violations. Civil penalties under Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), may be assessed by Administrative Order.

IV. Consent Agreement

- 28. 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.
- 29. 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.
- 30. Respondent consents to the assessment of the penalty proposed by EPA and agrees to pay the civil penalty as set forth in this CAFO.

- 31. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of FIFRA.
- 32. 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 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.
- 33. 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 FIFRA.

V. Final Order

34. Respondent is assessed a civil penalty of SEVEN THOUSAND THREE HUNDRED FORTY-FIVE DOLLARS (\$7,345) which is to be paid in eight payments. The first payment of \$919 is due within thirty (30) days of the effective date of this CAFO and subsequent payments of \$918 each are to be made in three-month intervals thereafter. The total penalty amount is based on a penalty of SEVEN THOUSAND THREE HUNDRED FORTY-FIVE DOLLARS (\$7,345) associated with quarterly payments. Respondent shall make payments in accordance with the following schedule.

Payment Due Date	Payment Due
Within 30 days of filing of CAFO	\$919.00
Within 4 calendar months of filing of CAFO	\$918.00
Within 7 calendar months of filing of CAFO	\$918.00
Within 10 calendar months of filing of the CAFO	\$918.00
Within 13 calendar months of filing of the CAFO	\$918.00
Within 16 calendar months of filing of the CAFO	\$918.00

Within 19 calendar months of filing of the CAFO \$918.00 Within 22 calendar months of filing of the CAFO \$918.00

35. Respondent shall remit each penalty payment by either a cashier's or certified check made payable to the "Treasurer, United States of America," and shall send the check via U.S. mail to the following address:

U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center P.O. 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.

36. 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 Atlanta, Georgia 30303-8960;

Cheryn L. Jones
Pesticides 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.

37. 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.
- 38. 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.
- 39. Complainant and Respondent shall bear their own costs and attorney fees in this matter.
- 40. This CAFO shall be binding upon the Respondent, its successors and assigns.
- 41. 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

Date: <u>5/29/09</u>

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

AGREED A	ND CO	NSENTI	ED TO:
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AGREED AND CONSENTED TO:	
Respondent: Vesture Corporation Docket No.: FIFRA 04-2009-3017(b) By: (Signature) Name: Byron C. Owens (Typed or Printed)	Date: <u>5-13-09</u>
U.S. Environmental Protection Agency	

Carol L. Kemker, Acting Director Air, Pesticides and Toxics Management Division 61 Forsyth Street Atlanta, Georgia 30303-8960

APPROVED AND SO ORDERED this J day of June 2009.

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 Vesture Corporation, Docket Number: FIFRA-04-2009-3017(b), to the addressees listed below.

Byron Owens, President Vesture Corporation 120 E. Pritchard Street Asheboro, NC 27203 (via Certified Mail, Return Receipt Requested)

Cheryn Jones
Pesticides Management Section
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, GA 30303

(via EPA's internal mail)

(via EPA's internal mail)

Robert Caplan
Associate Regional Counsel
Office of Environmental Accountability
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, GA 30303

Date: 0-5-09

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

O BE	COMPLETED BY THE ORIGINATING	OFFICE:	
•	ch a copy of the final order and transmittal in n was originated by:	rtier to Defendant/N	on 6 4 69
102 101 1		(Name)	(Date)
	Region 4, ORC, OEA		(404) 560, 050
the	(Office	<u> </u>	24 (404) 562± 9504 (Telephone Number)
	(Office	.)	(I exchange : variable)
	Non-SF Judicial Order/Consent Decree USAO COLLECTS		Administrative Order/Consent Agreement FMO COLLECTS PAYMENT
	SF Judicial Order/Consent Decree		Oversight Billing - Cost Package required: Seat with bill
	DOJ COLLECTS		Not sent with bill
	Other Receivable		Oversight Billing - Cost Package not required
	This is an original debt		This is a modification
AYEE:	. Vesture (orporation	
	(Name of person and/or C	ompany/Municipali	ty making the payment)
he Tota	al Dollar Amount of the Receivable: \$	345	
	(If installments, attach schedule of	amounts and respec	tive due dates. See Other side of this form.)
he Cas	e Docket Number: FIFRA	7 04 2009	3017 (6)
be Site	Specific Superfund Account Number:		
	ignated Regional/Headquarters Program Offic		
be IFM	IS Accounts Receivable Control Number is:		Date
you b	ave any questions, please call:	_ of the Financial	Management Section at:
ISTRO	JUTION:		
יסטון.	ICTAL ORDERS: Copies of this form with an attackle be mailed to:	hed copy of the front ;	rage of the FINAL JUDICIAL ORDER
	Debt Tracking Officer	2. Oviginat	ing Office (EAD)
-	Environmental Enforcement Section		ed Program Office
	Department of Justice RM 1647 P.O. Box 7611, Benjamin Franklin Station Washington, D.C. 20046		
L ADN	MINISTRATIVE ORDERS: Copies of this form wi	th an attached copy of	the front page of the Administrative Order should be
	Originating Office	3. Designa	ted Program Office
1	Regional Hearing Clerk		Counsel (EAD)