Occupational Safety and Health Administration Shattuck Office Center 138 River Road, Suite 102 Andover, MA 01810

Phone: (978)837-4460 FAX: (978) 837-4455



Citation and Notification of Penalty

To: Inspection Number: 315298281

Bostik, Inc. Inspection Date(s): 03/13/2011-03/16/2011

and its successors Issuance Date: 09/12/2011

211 Boston Street

Inspection Site: 211 Boston Street

Middleton, MA 01949-2128

211 Boston Street and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise

inspection was made unless otherwise indicated within the description given below.

The violation(s) described in this Citation

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(ies) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties proposed, unless within 15 working days (excluding weekends and Federal holidays) from your receipt of this Citation and Notification of Penalty you mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. Please refer to the enclosed booklet (OSHA 3000) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Act has occurred unless there is a failure to contest as provided for in the Act or, if contested, unless this Citation is affirmed by the Review Commission or a court.

Posting - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or , if it is not practicable because of the nature of the employer's operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and Federal holidays), whichever is longer. **The penalty dollar amounts need not be posted and may be marked out or covered up prior to posting.**

Informal Conference - An informal conference is not required. However, if you wish to have such a conference you may request one with the Area Director during the 15 working day contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(ies).

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal

conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the page 4 Notice to Employees next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

Right to Contest - You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest proposed penalties and/or abatement dates without contesting the underlying violations. Unless you inform the Area Director in writing that you intend to contest the citation(s) and/or proposed penalty(ies) within 15 working days after receipt, the citation(s) and the proposed penalty(ies) will become a final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency.

Penalty Payment - Penalties are due within 15 working days of receipt of this notification unless contested. (See the enclosed booklet and the additional information provided related to the Debt Collection Act of 1982.) Make your check or money order payable to "DOL-OSHA". Please indicate the Inspection Number on the remittance.

OSHA does not agree to any restrictions or conditions or endorsements put on any check or money order for less than the full amount due, and will cash the check or money order as if these restrictions, conditions, or endorsements do not exist.

Notification of Corrective Action - For <u>each</u> violation which you do not contest, you are required by 29 CFR 1903.19 to submit an Abatement Certification to the Area Director of the OSHA office issuing the citation and identified above. The certification <u>must</u> be sent by you within <u>10 calendar days</u> of the abatement date indicated on the citation. For **Willful** and **Repeat** violations, documents (examples: photos, copies of receipts, training records, etc.) demonstrating that abatement is complete must accompany the certification. Where the citation is classified as **Serious** and the citations states that abatement documentation is required, documents such as those described above are required to be submitted along with the abatement certificate. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item.

All abatement verification documents must contain the following information: 1) Your name and address; 2) the inspection number (found on the front page); 3) the citation and citation item number(s) to which the submission relates; 4) a statement that the information is accurate; 5) the signature of the employer or employer's authorized representative; 6) the date the hazard was corrected; 7) a brief statement of how the hazard was corrected; and 8) a statement that affected employees and their representatives have been informed of the abatement.

The law also requires a copy of all abatement verification documents, required by 29 CFR 1903.19 to be sent to OSHA, also be posted at the location where the violation appeared and the corrective action took place.

Employer Discrimination Unlawful - The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the U.S. Department of Labor Area Office at the address shown above.

Employer Rights and Responsibilities - The enclosed booklet (OSHA 3000) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.

Notice to Employees - The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the U.S. Department of Labor Area Office at the address shown above and postmarked within 15 working days (excluding weekends and Federal holidays) of the receipt by the employer of this Citation and Notification of penalty.

Inspection Activity Data - You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to your inspection will be available 30 calendar days after the Citation Issuance Date. You are encouraged to review the information concerning your establishment at WWW.OSHA.GOV. If you have any dispute with the accuracy of the information displayed, please contact this office.

Occupational Safety and Health Administration



NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on
09/12/2011. The conference will be held at the OSHA office located at Shattuck Office Center,
138 River Road, Suite 102, Andover, MA, 01810 on at
Employees and/or representatives of employees have a right to attend an informal conference.

U.S. DEPARTMENT OF LABOR OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

CERTIFICATE OF CORRECTION

, all of the violations cited on	
d that a	
d place	
i	

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011-03/16/2011

Issuance Date:

09/12/2011



Citation and Notification of Penalty

Company Name:

Bostik, Inc.

Inspection Site:

211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 1 Type of Violation: Serious

29 CFR 1910.37(a)(1) Exit routes were not kept free of explosive or highly flammable furnishings or other decorations:

(a) Location - Building 24:

On or about 3/13/11, numerous fifty five gallon drums of flammable liquids were stored along the exit access to the south west exit.

(b) Location - Building 25:

On or about 3/13/11, two fifty five gallon drums of flammable liquids were stored in the exit access of the specialty area in the southwest corner of the building.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 7000.00

Citation 1 Item 2 Type of Violation: Serious

29 CFR 1910.120(q)(1):An emergency response plan shall be developed and implemented to handle anticipated emergencies prior to the commencement of emergency response operations. Employers who will evacuate their employees from the danger area when an emergency occurs, and who do not permit any of their employees to assist in handling the emergency, are exempt from the requirements of this paragraph if they provide an emergency action plan in accordance with 1910.38(a):

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer did not implement an adequate emergency response plan to handle anticipated emergencies prior to commencement of emergency response operations.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011 - 03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 3 Type of Violation: Serious

29 CFR 1910.120 (q)(2): The employer shall develop an emergency response plan for emergencies which shall address, as a minimum, elements described in 1910.120(q)(i) through (xii):

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer's emergency response plan did not adequately nor effectively address elements included in 1910.120(q)(2) including but not limited to the following:

- (ii) Personnel roles, lines of authority, training, and communication,
- (iii) Emergency recognition and prevention,
- (iv) Safe distances and places of refuge,
- (vi) Evacuation routes and procedures,
- (vii) Decontamination,
- (ix) Emergency alerting and response procedures,
- (x) Critique of response and follow-up,
- (xi) Personal protective equipment and emergency equipment.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011-03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury resulting from an accident.

Citation 1 Item 4a Type of Violation: Serious

29 CFR 1910.120(q)(3)(i): The senior emergency response official responding to an emergency did not become the individual in charge of a site specific Incident Command System (ICS) and/or coordinate and control communications.

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer did not take adequate precautions to coordinate and/or control use of communications equipment including, but not limited to; portable radios, cell phones, and other equipment which were not rated for use in the presence of flammable liquids and/or vapors.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 7000.00

Citation 1 Item 4b Type of Violation: Serious

29 CFR 1910.106(h)(7)(i)(a): Precautions were not taken to prevent the ignition of flammable vapors:

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer did not take adequate precautions to prevent the ignition of flammable vapors when using radios, cell phones, and other equipment which were not intrinsically safe.

Date By Which Violation Must be Abated: 10/27/2011

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011 - 03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 5 Type of Violation: Serious

29 CFR 1910.120(q)(6)(iii): Employees who participated or were expected to participate, as hazardous materials technicians had not received at least 24 hours of training equal to the first responder operations level and/or had not been certified as having such training and/or in addition did not have competency in (A) through (I) of this section:

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, numerous employees that the employer's Integrated Contingency Plan (ICP) identified as being required to participate in emergencies as hazardous material technicians had not received at least 24 hours of training equal to the first responder operations level and in addition had not been certified as competent in (A) through (I) of this section.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 7000.00

Citation 1 Item 6 Type of Violation: Serious

29 CFR 1910.120(q)(6)(v): Employees who participated, or were expected to participate, as an on-scene incident commander had not received 24 hours of training equal to first responder operations level and/or had not been certified as having such training and/or in addition did not have the competency in areas described in 29 CFR 1910.120.(q)(6)(v)(A-F) and so certified:

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, employees expected to perform incident commander duties had not received twenty four hours required training at the first responder operations level and had not been certified as having competency in (A) through (F) of this section.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011-03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 7 Type of Violation: Serious

29 CFR 1910.120(q)(8)(i): Employees who were trained in accordance with 29 CFR 1910.120(q)(6) did not receive annual refresher training of sufficient content and duration to maintain their competencies or did not demonstrate competency in those areas at least yearly:

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer did not provide adequate and/or effective annual refresher training or a chance for employees to demonstrate continued competency in implementing the integrated contingency plan in the event of an emergency response to a release of hazardous chemicals.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 7000.00

Citation 1 Item 8 Type of Violation: Serious

29 CFR 1910.120(q)(10): Chemical protective clothing and equipment to be used by organized and designated HAZMAT team members, or to be used by hazardous materials specialists, did not meet the requirements of 29 CFR 1910.120(g)(3) through (5):

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer did not establish a written personal protective equipment program for employees who are members of the on site Emergency Response Team (ERT).

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011 - 03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 9 Type of Violation: Serious

29 CFR 1910.134(f)(1): The employer did not ensure that employee(s) using a tight-fitting face-piece respirator passed an appropriate qualitative fit test (QLFT) or quantitative fit test (QNFT):

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, employees on the emergency response team were expected to use a tight-fitting face-piece respirator as part of a self-contained breathing apparatus (SCBA) and had not been fit tested.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 7000.00

Citation 1 Item 10 Type of Violation: Serious

29 CFR 1910.157(g)(3): Employees who have been designated to use fire fighting equipment as part of the emergency action plan were not provided training in the use of the appropriate equipment:

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, employees who are required to use fire extinguishers to extinguish fires of substantial quantities of flammable liquids were not provided with adequate training in the use of the appropriate equipment.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011 - 03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 11 Type of Violation: Serious

29 CFR 1910.157(g)(4): Employees who have been designated to use fire fighting equipment as a part of the emergency action plan were not provided training in the use of appropriate equipment upon initial assignment and at least annually thereafter:

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, employees required to use fire extinguishers were not provided training at least annually in the use of appropriate equipment.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 7000.00

Citation 1 Item 12 Type of Violation: Serious

29 CFR 1910.252(a)(2)(iv): Cutting or welding was permitted in areas before the areas were inspected by the individual responsible for authorizing cutting and welding operations:

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer failed to ensure that areas were inspected prior to welding and cutting being permitted.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011 - 03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 13 Type of Violation: Serious

29 CFR 1910.252(a)(2)(xiii)(B): The employer did not recognize its responsibility for the safe usage of cutting or welding equipment, and did not designate an individual responsible for authorizing cutting and welding operations in areas not specifically designed for such processes:

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer did not designate an individual responsible for authorizing cutting and welding operations in areas not specifically designed for such processes.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 7000.00

Citation 1 Item 14 Type of Violation: Serious

29 CFR 1910.253(b)(2)(ii): Assigned storage spaces for cylinders was not located away from elevators, stairs, or gangways where cylinders could not be knocked over or damaged by passing or falling objects, or subject to tampering by unauthorized persons:

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, two compressed gas cylinders were stored in close proximity to the stairway for the mezzanine in Building 37.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011 - 03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 15 Type of Violation: Serious

29 CFR 1910.303.(b)(1): Electrical equipment was not free from recognized hazards:

- (a) Location Second floor, east side of Solvator, 211 Boston Street, Middleton, MA: On or about 3/13/11, the employer did not adequately ensure that electrical equipment, electric motor, was free from recognized hazards including but not limited to; mechanical strength, durability, classification by type and other factors that contribute to the practical safeguarding of persons using or likely to come in contact with the equipment.
- (b) Location Second floor, southeast side of Solvator, 211 Boston Street, Middleton, MA: On or about 3/13/11, the employer did not adequately ensure that electrical equipment, liquid tight flexible metal conduits, were free from recognized hazards including but not limited to; mechanical strength, durability, classification by type and other factors that contribute to the practical safeguarding of persons using or likely to come in contact with the equipment.
- (c) Location Second floor, top of Solvator, 211 Boston Street, Middleton, MA:

 On or about 3/13/11, the employer did not adequately ensure that electrical equipment, manually operated electrical timer switch, was free from recognized hazards including but not limited to; mechanical strength, durability, classification by type and other factors that contribute to the practical safeguarding of persons using or likely to come in contact with the equipment.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011-03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 16 Type of Violation: Serious

29 CFR 1910.303(b)(7)(i): Unused openings in boxes, raceways, auxiliary gutters, cabinets, equipment cases, or housings were not effectively closed to afford protection substantially equivalent to the wall of the equipment.

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer did not ensure that unused openings in boxes, raceways, auxiliary gutters, cabinets, equipment cases, or housings were effectively closed.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 7000.00

Citation 1 Item 17 Type of Violation: Serious

29 CFR 1910.305(b)(2): Each outlet box in completed installations did not have a cover, faceplate, or fixture canopy:

(a) Location - Command Center, 211 Boston Street, Middleton, MA: On or about 3/13/11, an energized electric outlet did not have a cover.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011-03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 1 Item 18 Type of Violation: Serious

29 CFR 1910.307(d) All conduits were not threaded and were not made wrench tight. Where it is impractical to make a threaded joint tight, a bonding jumper was not utilized.

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the employer did not ensure that threaded conduit was used where required per the requirements of CFR 1910.307 (Class I, Division 1 and Division 2).

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011 - 03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 2 Item 1 Type of Violation: Willful

29 CFR 1910.307(c)(2)(i): Equipment shall be approved not only for the class of location, but also for the ignitable or combustible properties of the specific gas, vapor, dust, or fiber that will be present.

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the light fixture and operating switch in a hazardous location on top of the Solvator was not approved for Class I hazardous locations nor for the ignitable properties of the vapor.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 70000.00

Citation 2 Item 2 Type of Violation: Willful

29 CFR 1910.307(c)(2)(i): Equipment shall be approved not only for the class of location, but also for the ignitable or combustible properties of the specific gas, vapor, dust, or fiber that will be present.

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the service disconnect switch, which was in a hazardous location, for the reflux pump adjacent to Reactor 8 was not approved for Class I hazardous locations nor for the ignitable properties of the vapor.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011 - 03/16/2011

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 2 Item 3 Type of Violation: Willful

29 CFR 1910.307(c)(2)(i): Equipment shall be approved not only for the class of location, but also for the ignitable or combustible properties of the specific gas, vapor, dust, or fiber that will be present.

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the motor for Reactor 6 hot oil pump, which was in a hazardous location, was not approved for a Class I hazardous location nor for the ignitable properties of the vapor.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 70000.00

Citation 2 Item 4 Type of Violation: Willful

29 CFR 1910.307(c)(2)(i): Equipment shall be approved not only for the class of location, but also for the ignitable or combustible properties of the specific gas, vapor, dust, or fiber that will be present.

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the electrical timer switch and enclosure for Reactor 8's internal sight light, both of which were in a hazardous location, were not approved for Class I hazardous locations nor for the ignitable properties of the vapor.

Occupational Safety and Health Administration

Inspection Number: 315298281

Inspection Dates: 03/13/2011 - 03/16/2011

eeff. Cobine

Issuance Date: 09/12/2011



Citation and Notification of Penalty

Company Name: Bostik, Inc.

Inspection Site: 211 Boston Street, Middleton, MA 01949-1128

Citation 2 Item 5 Type of Violation: Willful

29 CFR 1910.307(c)(2)(i): Equipment shall be approved not only for the class of location, but also for the ignitable or combustible properties of the specific gas, vapor, dust, or fiber that will be present.

(a) Location - 211 Boston Street, Middleton, MA:

On or about 3/13/11, the motor switch and enclosure for the exhaust fan for Reactor 8, both of which were in a hazardous location, were not approved for Class I hazardous locations nor for the ignitable properties of the vapor.

Date By Which Violation Must be Abated: 10/27/2011 Proposed Penalty: \$ 70000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

Occupational Safety and Health Administration Shattuck Office Center 138 River Road, Suite 102 Andover, MA 01810

Phone: (978)837-4460 FAX: (978)837-4455



INVOICE/ DEBT COLLECTION NOTICE

Company Name:

Bostik, Inc.

Inspection Site:

211 Boston Street, Middleton, MA 01949-2128

Issuance Date:

09/12/2011

Summary of Penalties for Inspection Number 315298281

 Citation 1, Serious
 = \$ 126,000.00

 Citation 2, Willful
 = \$ 350,000.00

 TOTAL PROPOSED PENALTIES
 = \$ 476,000.00

To avoid additional charges, please remit payment promptly to this Area Office for the total amount of the uncontested penalties summarized above. Make your check or money order payable to:

"DOL-OSHA". Please indicate OSHA's Inspection Number (indicated above) on the remittance.

OSHA does not agree to any restrictions or conditions put on any check or money order for less than the full amount due and will cash the check or money order as if these restrictions or conditions do not exist.

If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 24 hours and will be shown on your regular account statement. You will not receive your original check back. The bank will destroy your original check, but will keep a copy of it. If the EFT cannot be completed because of insufficient funds or closed account, the bank will attempt to make the transfer up to 2 times.

Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts for violations of the Occupational Safety and Health Act.

<u>Interest</u>. Interest charges will be assessed at an annual rate determined by the Secretary of the Treasury on all penalty debt amounts not paid within one month (30 calendar days) of the date on which the debt amount becomes due and payable (penalty due date). The current interest rate is 5%. Interest will accrue from the date on which the penalty amounts (as proposed or adjusted) become a final order of the Occupational Safety and Health Review Commission (that is, 15 working days from your receipt of the Citation and Notification of Penalty), unless you

file a notice of contest. Interest charges will be waived if the full amount owed is paid within 30 calendar days of the final order.

<u>Delinquent Charges</u>. A debt is considered delinquent if it has not been paid within one month (30 calendar days) of the penalty due date or if a satisfactory payment arrangement has not been made. If the debt remains delinquent for more than 90 calendar days, a delinquent charge of six percent (5%) per annum will be assessed accruing from the date that the debt became delinquent.

Administrative Costs. Agencies of the Department of Labor are required to assess additional charges for the recovery of delinquent debts. These additional charges are administrative costs incurred by the Agency in its attempt to collect an unpaid debt. Administrative costs will be assessed for demand letters sent in an attempt to collect the unpaid debt.

Jeffrey A. Erskine

Area Director

Date