## Este documento es muy importante. Si ud. No habla inglés, busque un traductor o llame al (267) 429-7542.

**U.S. Department of Labor** 

Occupational Safety and Health Administration

3477 Corporate Parkway Suite 120

Center Valley, PA 18034

Phone: (267) 429-7542 Fax: (267) 429-7567



November 18, 2016

Dear John Zissa,

On 09/08/2016, an OSHA compliance officer met with you or your representative as part of an inspection at 155B Railroad Plaza Royersford, PA 19468. This letter includes the citations for the violations that were found (see summary below). Please choose one of the three options from the box to the right and complete the associated steps found on the following page within 15 working days. Please call us if you have any questions about the enclosed citation and/or penalties; we are here to help you choose the best option to resolve your citation as quickly as possible.

Sincerely,

Jean G,∕Kulp, Area Director

#### **Your Citation Summary**

Freedom Alloys, Inc.

Inspection Number: 1175958

Total Amount Due:

\$47142.00

Payment Due Date:

15 working days

after receipt of

this letter

You must correct each violation by the date listed in the Citation and Notification of Penalty. Please see the violations and the correction deadline for each violation starting on page 6.

Total Number of Violations: 10

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**Your First Correction Deadline is: 12-1-16** 

# Step 1 – Choose a Response Option and Act within 15 working days

Respond now before you lose the ability to discuss potential adjustments to penalty amounts and/or due dates. Please choose one option below and complete the steps on the next page.

#### Option #1 - Discuss with OSHA

I would like to discuss the citation with an OSHA representative. This may lead to changes in the penalty amount, due date or correction deadlines (if appropriate).

#### Option #2 – Correct and Pay

I agree with the citation, penalties, and correction deadlines, and do not contest.

#### Option #3 – Contest the Citation

I do not agree with the citation, penalties, and/or correction deadlines, and would like to contest.

#### **Questions or Concerns?**

If you have any questions or concerns regarding the citation, penalties, and/or correction deadlines, please call us at (267) 429-7542.

## **Step 2 – Complete One Option Checklist**

Please post a copy of the citation at or near the place where each violation occurred, even if you plan to contest. You can use the checklist to the right to help plan your next steps. Please do not send in your checklist.

Option #1 – Discuss with OSHA			I will complete by:
D	<ol> <li>Call: Jean G. Kulp, Area Director, at (267) 42 schedule a meeting with an OSHA represent working days of receiving this citation. Brine existing conditions and corrections done the contest the citation after this meeting. **Tyour 15 working day deadline to contest the</li> </ol>	tative that must occur within 15 ag supporting documentation of us far. If necessary, you can still this meeting does NOT extend	/_
200	<ol> <li>Fill in and post the attached "Notice to Employer Conference" after scheduling meeting.</li> </ol>	ployees OSHA Informal	/_
C	Option #2 – Correct Violations and Pay Pe	nalty In	will complete by:
CHIEF GENERAL TERRITORISM CONTROLLED AND AND AND AND AND AND AND AND AND AN	<ol> <li>Correct violations, then complete and mail Corrective Action Worksheet" along with t repair (e.g. photos, purchase orders, etc.) t first page, postmarked within 10 calendar correction deadline and include any requi documents are transmitted by means other Agency received the documents is the dat</li> </ol>	he appropriate evidence of to the OSHA office listed on the days after each violation's red evidence. If these er than mailing, the date the	
魚	2. Pay the Total Penalty by using one of the following methods:  **Include your Inspection Number (see first page) on the payment.**		
	Pay Online: Search "OSHA" on www.pay.gov and complete the "OSHA Penalty Payment Form." Pay by debit, credit or Automated Clearing House (ACH) within 15 working days. Penalties over \$25,000 must be paid by ACH and require a Transaction ID (Call 202-693-2170 to obtain one).	Pay by Check: Mail check or money order payable to "DOL-OSHA" for the Total Penalty to the OSHA office listed on the first page within 15 working days.	
	Option #3 – Contest the Citation		I will complete by:
Mail a letter of intent to legally contest to the OSHA office listed on the first page, postmarked within 15 working days.			/

Occupational Safety and Health Administration 3477 Corporate Parkway Suite 120

Center Valley, PA 18034

Phone: 267-429-7542 Fax: 267-429-7567



## Citation and Notification of Penalty

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Freedom Alloys, Inc., dba IBC Advanced Alloys and its successors 401 Arvin Rd.
Franklin, IN 46131

**Inspection Site:** 

155B Railroad Plaza Royersford, PA 19468 **Inspection Number: 1175958** 

Inspection Date(s): 09/08/2016 - 10/07/2016

Issuance Date: 11/18/2016

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

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 either call to schedule an informal conference (see paragraph below) or 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.

**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 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. <u>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.</u>

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. You can also make your payment electronically on <a href="www.pay.gov">www.pay.gov</a>. On the left side of the pay.gov homepage, you will see an option to Search Public Forms. Type "OSHA" and click Go. From the results, click on OSHA Penalty Payment Form. The direct link is:

https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334.

You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

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

**Notification of Corrective Action** – For each violation which you do not contest, you must provide abatement certification to the Area Director of the OSHA office issuing the citation and identified above. This abatement certification is to be provided by letter within 10 calendar days after each abatement date. Abatement certification includes the date and method of abatement. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item. The abatement certification letter must be posted at the location where the violation appeared and the corrective action took place or employees must otherwise be effectively informed about abatement activities. A sample abatement certification letter is enclosed with this Citation. In addition, where the citation indicates that **abatement documentation** is necessary, evidence of the purchase or repair of equipment, photographs or video, receipts, training records, etc., verifying that abatement has occurred is required to be provided to the Area Director.

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 these alleged violations will be posted when our system indicates that you have received this citation. 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.

#### U.S. Department of Labor Occupational Safety and Health Administration



## NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citat	ion(s) issued on
11/18/2016. The conference will be held by telephone or at the OSHA offic	e located at 3477
Corporate Parkway, Suite 120, Center Valley, PA 18034 on	at
Employees and/or representatives of employees have	e a right to attend an
informal conference.	

#### CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

**Inspection Number: 1175958** 

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

Issuance Date: 11/18/2016

List the specific method of correction for each item on this citation in this package that does not read "Corrected During Inspection" and return to: U.S. Department of Labor – Occupational Safety and Health Administration, 3477 Corporate Parkway, Suite 120, Center Valley, PA 18034

	was corrected on
By (Method of Abatement):	was corrected on
By (Method of Abatement):	was corrected on
Citation Number and Item Number By (Method of Abatement):	was corrected on
Citation Number and Item Number By (Method of Abatement):	was corrected on
Citation Number and Item Number By (Method of Abatement):	was corrected on
	document is accurate and that the affected employees and their
Signature	Date
Typed or Printed Name	Title

NOTE: 29 USC 666(g) whoever knowingly makes any false statements, representation or certification in any application, record, plan or other documents filed or required to be maintained pursuant to the Act shall, upon conviction, be punished by a fine of not more than \$10,000 or by imprisonment of not more than 6 months or both.

POSTING: A copy of completed Corrective Action Worksheet should be posted for employee review

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number:** 1175958

**Issuance Date: 11/18/2016** 



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

Citation 1 Item 1 Type of Violation: Serious

29 CFR 1910.147(c)(4)(i): Procedures were not developed, documented and utilized for the control of potentially hazardous energy when employees were engaged in activities covered by this section:

a) Kasto Horizontal Band Saw - on or about September 8, 2016, employees were exposed to machine hazards associated with moving parts while performing maintenance. The employer failed to implement energy control application steps as the machine was not properly shut down or turned off to perform servicing work. As a result, the remaining applicable energy control element involving machine isolation, LOTO device application, dissipation of residual energy, and verification of isolation were not implemented to protect employees from potential amputations.

Abatement certification and documentation required within 10 days after abatement date. The certification shall include a statement that abatement is complete, the date and method of abatement, and state that employees and their representatives were informed of this abatement. Abatement documentation shall include documents demonstrating that abatement is complete, such as evidence of the purchase or repair of equipment, photograph or video evidence of abatement or other written records.

#### ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: Proposed Penalty:

12/01/2016 \$8730.00

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number:** 1175958

**Issuance Date:** 11/18/2016



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

### Citation 1 Item 2 Type of Violation: Serious

29 CFR 1910.178(l)(1)(i): The employer did not ensure that each powered industrial truck operator is competent to operate a powered industrial truck safely, as demonstrated by the successful completion of the training and evaluation specified in this paragraph (1):

- a) Work Floor on or about September 8, 2016, employees were operating a Nissan 50 powered industrial truck without having successfully completed the necessary training and evaluation.
- b) Work Floor on or about September 8, 2016, employees were operating a Hyster 60 powered industrial truck without having successfully completed the necessary training and evaluation.

No abatement certification or documentation required.

Date By Which Violation Must be Abated: Proposed Penalty:

Corrected During Inspection \$4240.00

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number:** 1175958

**Issuance Date:** 11/18/2016



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

Citation 1 Item 3 Type of Violation: Serious

29 CFR 1910.212(a)(2): Guard(s) on machine(s) were not affixed to the machine or secured elsewhere when attachment to the machine was not possible:

a) HA-250W Amada Horizontal Band Saw - on or about September 8, 2016, employees operated a horizontal band saw with the guard not affixed to the machine.

No abatement certification or documentation required.

Date By Which Violation Must be Abated:

Proposed Penalty:

Corrected During Inspection \$5301.00

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number:** 1175958

**Issuance Date: 11/18/2016** 



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

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

Citation 1 Item 4 a Type of Violation: Serious

29 CFR 1910.219(d)(1): Pulley(s) with part(s) seven feet or less from the floor or work platform were not guarded in accordance with the requirements specified in 29 CFR 1910.219(m) and (o):

a) Band Saw Work Area - on or about September 8, 2016, employees operated a HA-250W Amada horizontal band saw that had an unguarded pulley that was less than seven (7) feet from the floor.

No abatement certification or documentation required.

Date By Which Violation Must be Abated:

Proposed Penalty:

Corrected During Inspection \$5301.00

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number:** 1175958

**Issuance Date: 11/18/2016** 



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

Citation 1 Item 4 b Type of Violation: Serious

29 CFR 1910.219(e)(3)(i): Vertical or inclined belt(s) were not enclosed by guard(s) conforming to the requirements specified at 29 CFR 1910.219(m) and (o):

a) Band Saw Work Area - on or about September 8, 2016, employees operated a HA-250W Amada horizontal band saw that had an unguarded vertical belt that was less than seven (7) feet from the floor.

No abatement certification or documentation required.

Date By Which Violation Must be Abated:

Corrected During Inspection

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number:** 1175958

**Issuance Date: 11/18/2016** 



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

Citation 1 Item 5 Type of Violation: Serious

29 CFR 1910.303(g)(2)(i): Except as elsewhere required or permitted by Subpart S of Part 1910, live parts of electric equipment operating at 50 volts or more were not guarded against accidental contact by use of approved cabinets or other forms of approved enclosures or by any of the means identified in paragraphs (A), (B), (C), and (D) of 29 CFR 1910.303(g)(2)(i):

a) Kasto Band Saw - on or about September 8, 2016, the cover of a 440 volt control panel for the Kasto band saw was not properly installed, exposing live electrical parts which were not guarded against accidental contact.

Abatement certification and documentation required within 10 days after abatement date. The certification shall include a statement that abatement is complete, the date and method of abatement, and state that employees and their representatives were informed of this abatement. Abatement documentation shall include documents demonstrating that abatement is complete, such as evidence of the purchase or repair of equipment, photograph or video evidence of abatement or other written records.

## ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: Proposed Penalty:

12/01/2016 \$8730.00

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number:** 1175958

**Issuance Date:** 11/18/2016



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

Citation 1 Item 6 Type of Violation: Serious

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

a) Changing Room - on or about September 8, 2016, an outlet box in the dirty side of the changing room did not have a faceplate, exposing employees to electrical hazards.

No abatement certification or documentation required.

Date By Which Violation Must be Abated: Proposed Penalty:

Corrected During Inspection \$4240.00

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number:** 1175958

**Issuance Date:** 11/18/2016



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

Citation 1 Item 7 Type of Violation: Serious

29 CFR 1910.305(g)(1)(iv): Flexible cords and/or cables were used for purposes prohibited by paragraphs (A) through (F) of 29 CFR 1910.305(g)(1)(iv).

a) Changing Room - on or about September 8, 2016, the employer used non-metallic sheathed flexible cables as a substitute for fixed wiring of a structure, running through holes in walls, and was attached to building surfaces.

Abatement certification required within 10 days after abatement date. The certification shall include a statement that abatement is complete, date and method of abatement, and states that employees and their representatives were informed of this abatement.

Date By Which Violation Must be Abated: Proposed Penalty:

12/01/2016 \$4240.00

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number:** 1175958

**Issuance Date:** 11/18/2016



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

Citation 1 Item 8 Type of Violation: Serious

29 CFR 1910.305(g)(2)(iii): Flexible cords were not connected to devices and fittings so that tension would not be transmitted to joints or terminal screws:

a) Band Saw Area - on or about September 8, 2016, employees operated a Kasto band saw with a flexible cord without strain relief, exposing insulated terminals.

Abatement certification required within 10 days after abatement date. The certification shall include a statement that abatement is complete, date and method of abatement, and states that employees and their representatives were informed of this abatement.

Date By Which Violation Must be Abated: Proposed Penalty:

12/01/2016 \$6360.00

Occupational Safety and Health Administration Inspection Date(s): 09/08/2016 - 10/07/2016

**Inspection Number: 1175958** 

**Issuance Date: 11/18/2016** 



#### Citation and Notification of Penalty

Company Name: Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site: 155B Railroad Plaza, Royersford, PA 19468

## Citation 2 Item 1 Type of Violation: Other-than-Serious

29 CFR 1910.303(g)(1)(ii): The required working space about electric equipment rated 600 volts, nominal, or less was used for storage:

- a) Furnace Area/North wall on or about September 8, 2016, the working space about electric equipment was used for storage of items to include but not limited to desk, television, and batteries.
- b) Furnace Area/West wall on or about September 8, 2016, the working space about electric equipment was used for storage of items to include but not limited to a storage cabinet, and a 55 gallon drum.
- c) Near Lathe/East wall on or about September 8, 2016, the working space about electric equipment was used for storage of items to include but not limited to 5 gallon containers of degreaser.
- d) Near Lathe/South wall on or about September 8, 2016, the working space about electric equipment was used for storage of items to include but not limited to pallets of chemicals.

Abatement certification required within 10 days after abatement date. The certification shall include a statement that abatement is complete, date and method of abatement, and states that employees and their representatives were informed of this abatement.

Date By Which Violation Must be Abated: Proposed Penalty:

12/01/2016

\$0.00

Jean G. Kulp Área Director

Occupational Safety and Health Administration 3477 Corporate Parkway Suite 120

Center Valley, PA 18034

Phone: 267-429-7542 Fax: 267-429-7567



# INVOICE / DEBT COLLECTION NOTICE

Company Name:

Freedom Alloys, Inc., dba IBC Advanced Alloys

Inspection Site:

155B Railroad Plaza, Royersford, PA 19468

Issuance Date:

11/18/2016

**Summary of Penalties for Inspection Number** 

1175958

Citation 1, Serious

\$47142.00

Citation 2, Other-than-Serious

\$0.00

TOTAL PROPOSED PENALTIES

\$47142.00

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. You can also make your payment electronically on <a href="https://www.pay.gov">www.pay.gov</a>. On the left side of the pay.gov homepage, you will see an option to Search Public Forms. Type "OSHA" and click Go. From the results, click on <a href="https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334">OSHA Penalty Payment Form</a>. The direct link is <a href="https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334">https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334</a>. You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment 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.

Interest: 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 one percent (1%). 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 (6%) 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.

Jean G. Kulp

Area Director

Date