

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
1851 Executive Center Drive  
Suite 227  
Jacksonville, FL 32207  
Phone: 904-232-2895 Fax: 904-232-1294



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## Citation and Notification of Penalty

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**To:**  
Bacardi Bottling Corporation  
12200 North Main Street  
Jacksonville, FL 32218

**Inspection Number:** 584358  
**Inspection Date(s):** 08/16/2012 - 02/01/2013  
**Issuance Date:** 02/08/2013

**Inspection Site:**  
12200 North Main Street  
Jacksonville, FL 32218

*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.*

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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.

**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. **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 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](http://www.osha.gov). If you have any dispute with the accuracy of the information displayed, please contact this office.



## NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 02/08/2013. The conference will be held at the OSHA office located at 1851 Executive Center Drive, Suite 227, Jacksonville, FL 32207 on \_\_\_\_\_ at \_\_\_\_\_.

Employees and/or representatives of employees have a right to attend an informal conference.

**CERTIFICATION OF CORRECTIVE ACTION WORKSHEET**

**Inspection Number: 584358**

Company Name: Bacardi Bottling Corporation  
Inspection Site: 12200 North Main Street, Jacksonville, FL 32218  
Issuance Date: 02/08/2013

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, 1851 Executive Center Drive, Suite 227, Jacksonville, FL 32207**

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

I certify that the information contained in this document is accurate and that the affected employees and their representatives have been informed of the abatement.

\_\_\_\_\_  
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



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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**Citation 1 Item 1** Type of Violation: **Serious**

29 CFR 1910.37(a)(3):

Exit route(s) were not kept free and unobstructed:

- a. On or about August 16, 2012, in the upper level of the palletizing area of Warehouse 7, a conveyor leading into palletizer #1 crossed through the exit route, causing an obstruction in the route, exposing employees to a tripping and fire hazard.
- b. On or about August 16, 2012, in the upper level of the palletizing area of Warehouse 7, a conveyor leading into palletizer #2 crossed through the exit route, causing an obstruction in the route, exposing employees to a tripping and fire hazard.
- c. On or about August 16, 2012, in the upper level of the palletizing area of Warehouse 7, a conveyor leading into palletizer #3 crossed through the exit route, causing an obstruction in the route, exposing employees to a tripping and fire hazard.
- d. On or about August 16, 2012, in the upper level of the palletizing area of Warehouse 7, a conveyor leading into palletizer #4 crossed through the exit route, causing an obstruction in the route, exposing employees to a tripping and fire hazard.
- e. On or about August 16, 2012, in the upper level of the palletizing area of Warehouse 7, a conveyor leading into palletizer #5 crossed through the exit route, causing an obstruction in the route, exposing employees to a tripping and fire hazard.
- f. On or about August 16, 2012, in the upper level of the palletizing area of Warehouse 7, the overhead conveyor near palletizer #4 crossed over the exit route, causing an obstruction in the route, exposing employees to a fire hazard and the hazard of striking their head.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

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

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

**Inspection Number:** 584358  
**Inspection Date(s):** 08/16/2012 - 02/01/2013  
**Issuance Date:** 02/08/2013



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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**Date By Which Violation Must be Abated:** 03/07/2013  
**Proposed Penalty:** \$6000.00

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



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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

29 CFR 1910.135(a)(1):

The employer did not ensure that each affected employee wear a protective helmet when working in areas where there is a potential for injury to the head from falling objects:

- a. On or about August 16, 2012, in the lower level of the palletizing area of Warehouse 7, employees were not protected from overhead hazards while working and walking below the overhead conveyors and palletizing machines, exposing themselves to the hazard of being struck by falling debris and bottles.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

|   |            |
|---|------------|
| Date By Which Violation Must be Abated: | 03/07/2013 |
| Proposed Penalty:                       | \$4000.00  |

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





**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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**Citation 1 Item 3** Type of Violation: **Serious**

29 CFR 1910.147(c)(5)(i):

Locks, tags, chains, wedges, key blocks, adapter pins, self-locking fasteners, or other hardware were not provided by the employer for isolating, securing or blocking of machines or equipment from energy sources:

- a. On or about August 16, 2012, on the south side in the palletizing area of Warehouse 7, an employee (operator) entered palletizer machine #4 to clean the conveyor rollers and could not lockout the machine from all energy sources from an accidental start up due to not having an adequate number of lockout devices to perform the lockout/tagout procedures on machinery such as the palletizers, exposing the employees to injuries of crushing, cuts, bruising, amputation, permanently disabling injuries, and death from the powered rollers, steel apron and mechanical rake.
- b. On or about August 16, 2012, on the south side in the palletizing area of Warehouse 7, an employee (supervisor/lead) entered palletizer machine #4 to clean the conveyor rollers and could not lockout the machine from all energy sources from an accidental start up due to not having an adequate number of lockout devices to perform the lockout/tagout procedures on machinery such as the palletizers, exposing the employees to injuries of crushing, cuts, bruising, amputation, permanently disabling injuries, and death from the powered rollers, steel apron and mechanical rake.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

|   |            |
|---|------------|
| Date By Which Violation Must be Abated: | 03/07/2013 |
| Proposed Penalty:                       | \$7000.00  |

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



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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Citation 1 Item 4 Type of Violation: **Serious**

29 CFR 1910.147(c)(6)(i)(A):

The periodic inspection of the energy control procedure was not performed by an authorized employee other than the one utilizing the energy control procedure being inspected:

- a. On or about August 16, 2012, the employer did not conduct an adequate periodic review of the lockout/tagout procedures for the machines and equipment that was serviced and maintained at the facility in that the employee conducting the review was not an authorized employee.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

|   |            |
|---|------------|
| Date By Which Violation Must be Abated: | 03/07/2013 |
| Proposed Penalty:                       | \$7000.00  |

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



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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**Citation 1 Item 5** Type of Violation: **Serious**

29 CFR 1910.147(c)(7)(i)(A):

Authorized employee(s) did not receive training in the recognition of applicable hazardous energy sources, the type and magnitude of the energy available in the workplace, and the methods and means necessary for energy isolation:

- a. On or about August 16, 2012, authorized employees performing servicing on machines were not adequately trained about the hazards and procedures to minimize those hazards.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated:  
Proposed Penalty:

03/07/2013  
\$7000.00



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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**Citation 1 Item 6** Type of Violation: **Serious**

29 CFR 1910.212(a)(1):

One or more methods of machine guarding was not provided to protect the operator and other employees in the machine area from hazards such as those created by point of operation, ingoing nip points, rotating parts, flying chips and sparks:

- a. On or about August 16, 2012, in the bottling area on Line 4 label machine, there was a 2 feet by 6 inch opening, exposing employees to the hazard of getting caught in the moving bottles, exposing employees to the hazard of being caught in, and crushing hazards from the moving bottles.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

|   |            |
|---|------------|
| Date By Which Violation Must be Abated: | 03/07/2013 |
| Proposed Penalty:                       | \$4000.00  |

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



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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**Citation 1 Item 7** Type of Violation: **Serious**

29 CFR 1910.219(c)(4)(i):

Unguarded projecting shaft end(s) did not present a smooth edge and end and projected more than one half the diameter of the shaft:

- a. On or about September 10, 2012, in the bottling area on line 1, shafts protruding from the conveyor system measuring 3-inch in length and 1 inch in diameter were not guarded, exposing employees to a caught in hazard.
- b. On or about September 10, 2012, on the upper level in the palletizing area, shafts protruding from the conveyor system measuring 2-inch and 5-inch in length and 1 inch in diameter were not guarded, exposing employees to a caught on hazard.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

|   |            |
|---|------------|
| Date By Which Violation Must be Abated: | 03/07/2013 |
| Proposed Penalty:                       | \$6000.00  |

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



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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**Citation 1 Item 8** Type of Violation: **Serious**

29 CFR 1910.242(b):

Effective chip guarding and personal protective equipment was not used when compressed air was used for cleaning purposes:

a. On or about August 29, 2012, in the upper level of the palletizing area of Warehouse 7, employees using the air guns that had a psi of 90 -100 to blow dust and glass particles were wearing safety glasses but they were not wearing face shields or long sleeves as protective clothing, exposing themselves to the hazard of being cut by the glass particles as they go airborne and strike employees.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

|   |            |
|---|------------|
| Date By Which Violation Must be Abated: | 03/07/2013 |
| Proposed Penalty:                       | \$6000.00  |

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



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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**Citation 1 Item 9** Type of Violation: **Serious**

29 CFR 1910.305(b)(1)(ii):

Unused openings in boxes, cabinets, or fittings were not effectively closed:

- a. On or about August 16, 2012, on the south side of warehouse 7, a power indicator light on the panel box of palletizer # 5 was not covered, exposing employees to an electrical hazard.
- b. On or about August 16, 2012, on the northwest side of facility, between lines 4 and 1, a breaker was missing in the panel box, exposing employees to an electrical hazard.
- c. On or about August 16, 2012, on the east side of the facility, near line 1 north wall, a breaker was missing in the panel box, exposing employees to an electrical hazard.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

|   |            |
|---|------------|
| Date By Which Violation Must be Abated: | 03/07/2013 |
| Proposed Penalty:                       | \$5000.00  |

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



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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Citation 2 Item 1 Type of Violation: **Willful**

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. On or about August 16, 2012, on the south side in the palletizing area of Warehouse 7, two employees (operator and supervisor/lead) entered palletizer machine #4 to clean the conveyor rollers were not protected from accidental start up due to not utilizing the documented lockout/tagout procedure, exposing the employees to the powered rollers, steel apron and mechanical rake.
- b. On or about August 16, 2012, on the south side in the palletizing area of Warehouse 7, an employee (Remedy Staffing Inc.) entered under the hoist of the palletizer to clean glass and was not protected from an accidental start up due to Bacardi Bottling Corporation not utilizing the documented lockout/tagout procedure by checking the area before energizing the machine exposing the employee to being crushed by the hoist.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

|   |            |
|---|------------|
| Date By Which Violation Must be Abated: | 03/07/2013 |
| 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.





**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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Citation 2 Item 2 Type of Violation: **Willful**

29 CFR 1910.147(c)(7)(i)(B):

Affected employees were not instructed in the purpose and use of the energy control procedure:

- a. On or about August 16, 2012, temporary employees (Remedy Staffing, Inc.) working near equipment being serviced under lockout tagout were not trained about the hazards associated with the equipment and the controls to minimize those hazards.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

|   |            |
|---|------------|
| Date By Which Violation Must be Abated: | 03/07/2013 |
| 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.



**Citation and Notification of Penalty**

**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218

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Citation 3 Item 1 Type of Violation: **Other-than-Serious**

29 CFR 1910.303(g)(1):

Sufficient access and working space was not provided and maintained about all electric equipment (operating at 600 volts, nominal, or less to ground) to permit ready and safe operation and maintenance of such equipment:

- a. On or about August 16, 2012, at the Bacardi Martini Product Development (BMPD) pilot plant, the mixing tank was stored to within 12 inches of the panel box.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated: 03/07/2013  
Proposed Penalty: \$ .00

A handwritten signature in black ink, appearing to read "Brian J. Sturtecky", is written over a horizontal line.

*For* **Brian J. Sturtecky**  
Area Director

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
1851 Executive Center Drive  
Suite 227  
Jacksonville, FL 32207  
Phone: 904-232-2895 Fax: 904-232-1294



## INVOICE / DEBT COLLECTION NOTICE

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**Company Name:** Bacardi Bottling Corporation  
**Inspection Site:** 12200 North Main Street, Jacksonville, FL 32218  
**Issuance Date:** 02/08/2013

|   |                    |
|---|--------------------|
| <b>Summary of Penalties for Inspection Number</b> | <b>584358</b>      |
| <b>Citation 1, Serious</b>                        | <b>\$52000.00</b>  |
| <b>Citation 2, Willful</b>                        | <b>\$140000.00</b> |
| <b>Citation 3, Other-than-Serious</b>             | <b>\$ .00</b>      |
| <b>TOTAL PROPOSED PENALTIES</b>                   | <b>\$192000.00</b> |

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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 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 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.

**Delinquent Charges:** 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.



*For* **Brian J. Sturtecky**  
Area Director

2-8-2013  
Date