Citation and Notification of Penalty

To:
Custom Alloy Sales 34P, LLC
and its successors
4008 Vernon Rd.
Prescott, KS 66767

Inspection Site:
4008 Vernon Rd.
Prescott, KS 66767

Inspection Number: 994622
Inspection Date(s): 09/09/2014 - 01/29/2015
Issuance Date: 03/06/2015

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. **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. You can also make your payment electronically on www.pay.gov. 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 $50,000 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.
NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 03/06/2015. The conference will be held by telephone or at the OSHA office located at 100 N. Broadway, Suite 470, Wichita, KS 67202 on _____________ at _____________.

Employees and/or representatives of employees have a right to attend an informal conference.
CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

Company Name: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767
Issuance Date: 03/06/2015

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, 100 N. Broadway, Suite 470, Wichita, KS 67202

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): __________________________________________________________

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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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1  Item 1  Type of Violation: Serious

29 CFR 1910.119(c)(1): The employer did not develop a written plan of action regarding the implementation of the employee participation required by this paragraph:

At the facility a written plan of action regarding the employee participation had not been developed nor implemented to determine how employee(s) and / or their employee representatives will be consulted on the development of all process safety management elements.

Employee(s) were exposed to the release of chlorine compounds to the atmosphere that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(d)(1) requires certification and documentation that the abatement of the above violation is completed.

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $4500.00
Citation and Notification of Penalty

**Company Name:** Custom Alloy Sales 34P, LLC  
**Inspection Site:** 4008 Vernon Rd., Prescott, KS 66767

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

29 CFR 1910.119(d): The employer failed to complete a compilation of written safety information to enable the employer and the employees involved in operating the chlorine process to identify and understand the hazards posed by the chlorine process. The employer failed to compile process safety information on the following technology and equipment used in the process:

Employee(s) working in the chlorine process did not have access to the following process safety information:

(a) metal tubing used to connect the ton cylinder to the process piping

(b) lead washers

(c) ton cylinders

(d) Jamesbury valves

(e) chlorine spreader bar used to lift ton cylinders.

(f) chlorine hard metal piping

(g) evaporators

(h) isolation valves (yoke)

(i) chlorine storage racks

(j) pipe thread tape used in the chlorine process

(k) evaporator pressure relief valves

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Company Name: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

(l) inline rupture discs for the 2 evaporators
(m) chlorine flexible metal piping

Employee(s) were exposed to the release of chlorine compounds to the atmosphere that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(d)(1) requires certification and documentation that the abatement of the above violation is complete.

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $5400.00
Citation and Notification of Penalty

Company Name: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 3  Type of Violation: Serious

29 CFR 1910.119(d)(3)(ii): The employer did not document that equipment complies with recognized and generally accepted good engineering practices:

At the facility, the over-pressurization of the liquid or gas chlorine pipe lines and the outside chlorine gas sensors share the same alarm system. This does not comply with recognized and generally accepted good engineering practices. In the event of an over-pressurization of a liquid or gas pipe line, the activation of the alarm system would be the same as chlorine gas being detected by the chlorine gas sensors located in the evaporator room and outside at the chlorine cylinder connecting area. Employees responding to an alarm would not be able to distinguish between different scenarios until they arrived at the chlorine processing area.

Employee(s) were exposed to the release of chlorine compounds to the atmosphere that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(c)(1) requires certification that the abatement of the above violation is complete.

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $4500.00

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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 4   Type of Violation: Serious


The employer did not perform an initial process hazard analysis for the chlorine process.

Employee(s) were exposed to the release of chlorine compounds to the atmosphere that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(d)(1) requires certification and documentation that the abatement of the above violation is completed.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $6300.00

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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 5 Type of Violation: Serious

29 CFR 1910.119(f)(1): The employer shall develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process consistent with the process safety information and shall address at least the following elements:

(a) At the facility, the employer failed to provide to employees connecting chlorine cylinders to the process written operating procedures providing clear instructions addressing the following elements:

1) temporary operations
2) emergency operations
3) start-up following an emergency shut down
4) operating limits
5) consequences of deviations
6) steps required to correct deviations

(b) At the facility the employer did not develop written operating procedures that provided clear instructions to safely operate the evaporators, for all chlorine operators.

(c) At the facility the employer did not develop written operating procedures that provided clear instructions to safely change out chlorine tubes that are inserted into the molten metal at the furnaces.

Employee(s) were exposed to the release of chlorine compounds to the atmosphere that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(d)(1) requires certification and documentation that the abatement of the above violation is completed.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $6300.00

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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 6 Type of Violation: Serious

29 CFR 1910.119(g)(l)(i): Each employee presently involved in operating a process, and each employee before being involved in operating a newly assigned process, shall be trained in an overview of the process and in the operating procedures as specified in paragraph (f) of this section. The training shall include emphasis on the specific safety and health hazards, emergency operations including shutdown, and safe work practices applicable to the employee's job tasks:

At the establishment the employer had not provided process safety management training to operators and maintenance personnel performing tasks in the chlorine process.

Employee(s) were exposed to the release of chlorine compounds to the atmosphere that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(d)(1) requires certification and documentation that the abatement of the above violation is completed.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $4500.00
Citation and Notification of Penalty

Company Name: Custom Alloy Sales 34P, LLC  
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1  Item 7  Type of Violation: Serious

29 CFR 1910.119(h)(2)(i): The employer, when selecting a contractor, did not obtain and evaluate information regarding the contract employer's safety performance and program:

At the establishment the employer did not obtain the safety and health programs of the contactor that delivers chlorine ton cylinders and the contractor that maintains the integrity of the chlorine process.

Employee(s) were exposed to the release of chlorine compounds to the atmosphere that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(c)(1) requires certification that the abatement of the above violation is complete.

Date By Which Violation Must be Abated: 04/20/2015  
Proposed Penalty: $3600.00
Citation and Notification of Penalty

Company Name: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 8  Type of Violation: Serious

29 CFR 1910.119(j)(2): The employer did not establish written procedures to maintain the on-going integrity of process equipment:

a) The employer did not develop and implement a written mechanical integrity procedure that addressed inspecting pressure vessels and piping for corrosion, minimum wall thickness, etc.

b) The employer did not develop a written integrity procedures for evaluating the metallic flexible tubing that are changed out every 6 months to determine if the replacement policy was adequate.

c) The employer did not develop and implement a written procedure for evaluating valves in the chlorine process.

d) The employer did not develop and implement a procedure for evaluating ton cylinders received from a contractor for the chlorine process.

Employee(s) were exposed to the release of chlorine compounds to the atmosphere that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(d)(1) requires certification and documentation that the abatement of the above violation is complete.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $6300.00

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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 9  Type of Violation: Serious

29 CFR 1910.119(j)(4)(i): The employer did not perform inspection and tests on process equipment in accordance with paragraphs (ii) and (iii) of 1910.119(j)(4):

(a) At the facility the Chlorine piping along the north and east wall of the Chlorine process had not received non-destructive testing to determine if the manufacturer's minimum wall thickness had been exceeded.

(b) At the facility the Chlorine piping from the evaporator room to the furnaces had not received non-destructive testing to determine if the manufacturer's minimum wall thickness had been exceeded.

(c) At the facility the evaporators in the Chlorine process had not received mechanical integrity inspections for corrosion.

(d) At the facility pressure vessels such as the liquid expansion vessel had not received a mechanical integrity inspection to determine if there were any corrosion damage and to establish a corrosion rate for the vessel.

Employee(s) were exposed to the release of chlorine compounds to the atmosphere that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(d)(1) requires certification and documentation that the abatement for the above violation is complete.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $6300.00

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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1  Item 10  Type of Violation: Serious

29 CFR 1910.119(n): The employer did not establish an emergency plan for the entire plant in accordance with the provisions of 29 CFR 1910.38:

At the establishment a written emergency action plan did not address procedures to be followed by employee(s) required to remain at their position to plug any of the furnaces in the production department before they can evacuate, during a chlorine gas leak.

Employee(s) were exposed to the release of chlorine compounds to the atmosphere or fire that can lead to injury or death to persons working at the facility.

29 CFR 1903.19(c)(1) requires certification that the abatement of the above violation is complete.

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $2700.00

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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 11 Type of Violation: Serious

29 CFR 1910.120(q)(1): The employer did not develop and implement an emergency response plan to handle anticipated emergencies prior to commencement of emergency response operations:

At the facility a written emergency response program had not been developed nor implemented to inform employees responding to Chlorine gas/liquid leaks in the Chlorine process of the health hazards associated with Chlorine.

29 CFR 1903.19(d) requires certification and documentation that the abatement of the above violation is complete.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $6300.00
Citation and Notification of Penalty

Company Name: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 12  Type of Violation: Serious

29 CFR 1910.147(c)(1): The employer did not establish a program consisting of an energy control procedure, employee training and periodic inspections to ensure that before any employee performed any servicing or maintenance on a machine or equipment where the unexpected energizing, startup or release of stored energy could occur and cause injury, the machine or equipment shall be isolated from the energy source and rendered inoperative:

At the establishment the employer had not developed and implemented a written energy control program designed to ensure employees were not exposed to the unexpected energization of the equipment when performing maintenance and preventative maintenance on the furnaces, rotaries, evaporators, and etc.

29 CFR 1903.19(d)(1) requires certification and documentation that the abatement of the above violation is complete.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $6300.00

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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 13  Type of Violation: Serious

29 CFR 1910.157(g)(1): An educational program was not provided for all employees to familiarize them with the general principles of fire extinguisher use and the hazards involved with incipient stage fire fighting:

Employee(s) utilizing fire extinguishers to address small incipient stage fires at the establishment were exposed to fire hazards due to no fire extinguisher training being performed.

29 CFR 1903.19(c)(1) requires certification that the abatement of the above violation is complete.

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $4500.00

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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 14 Type of Violation: Serious

29 CFR 1910.178(1)(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 (l):

Employee(s) operating forklifts at the establishment were not evaluated prior to operating an industrial truck to determine competency, thus exposing employees walking around the facility to struck-by hazards.

29 CFR 1903.19(c)(1) requires certification that the abatement of the above violation is complete.

Date By Which Violation Must be Abated: 04/20/2015
Proposed Penalty: $3600.00
Citation and Notification of Penalty

Company Name: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 15 Type of Violation: Serious

29 CFR 1910.178(p)(1): Powered industrial truck(s) found to be in need of repair, defective, or in any way unsafe had not been taken out of service until restored to safe operating condition(s):

Employee(s) operating industrial fork trucks at the establishment with defects were exposing employee(s) walking around to struck-by hazards. The following industrial fork trucks had the following conditions:

(a) Toyota truck #71 had no functioning parking brake or horn.

(b) John Deere 544H - 34P had no functioning horn or turn signal lights.

(c) Toyota truck #69 had no functioning parking brake, horn, and leaking hydraulic fluid from the left side mast cylinder.

(d) Hyster 90 had no functioning parking brake or horn.

29 CFR 1903.19(c)(1) requires certification that the abatement of the above violation is complete.

Date By Which Violation Must be Abated: 03/30/2015
Proposed Penalty: $3600.00

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: Custom Alloy Sales 34P, LLC
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767

Citation 1 Item 16. Type of Violation: Serious

29 CFR 1910.178(q)(7): Industrial trucks were not examined, at least daily or before each shift if used on a round-the-clock basis, before being placed into service:

At the facility industrial trucks were not being examined prior to being put into service, thus exposing employee(s) working throughout the facility to struck-by hazards.

29 CFR 1903.19(c)(1) requires certification that the abatement of the above violation is complete.

Date By Which Violation Must be Abated: 03/30/2015
Proposed Penalty: $2700.00

Judy Freeman
Area Director

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Company Name: Custom Alloy Sales 34P, LLC  
Inspection Site: 4008 Vernon Rd., Prescott, KS 66767  
Issuance Date: 03/06/2015

Summary of Penalties for Inspection Number

Citation 1, Serious $77400.00
TOTAL PROPOSED PENALTIES $77400.00

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 www.pay.gov. 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 $50,000 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.

**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.

![Signature]

Judy Freeman
Area Director

03/06/2015
Date