

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, DC

In the Matter of:

Suzuki Motor Corporation
American Suzuki Motor Corporation

Respondents.

Administrative Settlement Agreement

AED/MSEB # 12-8009

Purpose

1. The United States Environmental Protection Agency (the EPA) and Respondents enter into this Administrative Settlement Agreement (Agreement) to resolve alleged violations of §§ 203(a) and 213 of the Clean Air Act (Act), 42 U.S.C. §§ 7522 and 7547, and 40 C.F.R. Parts 1051 and 1068.

Preliminary Matters

2. References to “Respondents” or “Suzuki” in this Agreement mean Suzuki Motor Corporation and American Suzuki Motor Corporation, and their respective successors and assigns.
3. Each Respondent is a “person” as defined by § 302 of the Act, 42 U.S.C. § 7602.
4. Each Respondent is a “manufacturer” as defined by § 216 of the Act, 42 U.S.C. § 7550(1) and 40 C.F.R. § 1051.801.
5. The model year 2006 through 2010 all-terrain vehicles (ATVs) and off-road motorcycles (OFMCs) subject to this Agreement are set forth in Attachment A and are regulated under the

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Act and the implementing regulations as recreational vehicles under 40 C.F.R. Part 1051 (Subject Vehicles).

6. For the purposes of this Agreement, Respondents are subject to the requirements of the Act and agree that the EPA has jurisdiction over Respondents and Respondents' conduct described below.

Governing Law

7. Section 203(a)(1) of the Act prohibits “the sale, or the offering for sale, or the introduction, or delivery for introduction, into commerce ... of any new motor vehicle or new motor vehicle engine, manufactured after the effective date of regulations” unless it is covered by an EPA-issued certificate of conformity (COC). 42 U.S.C. § 7522(a)(1).
8. The importation of “any new motor vehicle or new motor vehicle engine, manufactured after the effective date of regulations ...” is prohibited “unless such vehicle or engine is covered by a certificate of conformity... .” *Id.*
9. Section 203(a), 42 U.S.C. § 7522(a), also prohibits causing the prohibited acts set forth in § 203(a).
10. Under 40 C.F.R. § 1068.101(a)(1), (b)(5) a person may not sell, offer for sale, or introduce or deliver into commerce in the United States or import into the United States any new engine or equipment after emission standards take effect for the engine or equipment, unless it is covered by a valid COC for its model year.
11. Under 40 C.F.R. § 1068.101(c) a person may not cause the commission of a prohibited act set forth at 40 C.F.R. § 1068.101(a), (b).

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12. Section 213(d) of the Act, 42 U.S.C. § 7547(d), and the corresponding regulations at 40 C.F.R. Part 1068 Subpart B, extend the prohibitions in § 203 to nonroad engines and vehicles, including the Subject Vehicles.
13. The requirement for a COC became applicable to new recreational vehicles beginning with the 2006 model year. 40 C.F.R. §§ 1051.105 and 1051.107. A COC application must include, among other things, an identification of the engine family, a description of the vehicles and their emission control systems, a description of all adjustable parameters and other adjustments, a list of the model names included in the engine family, and test results from a prototype emissions data vehicle. 40 C.F.R. § 1051.205. The COC application must not include false or incomplete statements or information. 40 C.F.R. § 1051.201(b).
14. The text of every COC states that only those vehicles that “conform in all material respects to the design specifications” in the application are covered. *See* 40 C.F.R. § 1068.101(a)(1)(i). (requiring that the engine be “in a configuration described in the application for certification”).
15. Recreational vehicles that have design features that allow adjustment of the air-fuel ratio must meet emission standards for any air-fuel ratio within the adjustable range. 40 C.F.R. § 1051.115(d). The regulations at 40 C.F.R. § 1051.205(q) require that a COC application of a recreational vehicle disclose the presence of all adjustable operating parameters. The existence of design features that allow adjustment of the air-fuel ratio is a material aspect of the representative vehicle described in the COC application.
16. Section 205(a) of the Act provides for penalties of up to \$27,500 per engine for violations after January 30, 1997, up to \$32,500 for violations on or after March 15, 2004, through January 12, 2009, and up to \$37,500 for violations on or after January 13, 2009. 42 U.S.C. § 7524(a), all as

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adjusted for inflation under the Federal Civil Penalties Inflation Adjustment Act of 1990, 28 U.S.C. § 2461 note. *See also* 40 C.F.R. § 19.4 (inflation-adjusted maximum penalties).

Violations

17. The Subject Vehicles are equipped with two separate and unique sets of electronic engine control module (ECM) instructions (maps): the standard map specified in the COC application and a “racing” map. The racing map is activated with an aftermarket product marketed as the “Cherry Bomb” and sold by parties not subject to this Agreement. The racing map, when activated with the Cherry Bomb, alters the air-fuel ratio under certain operating conditions such that the Subject Vehicles do not meet applicable emission standards throughout the adjustable range. The Cherry Bomb costs less than \$50 and can be installed on a Subject Vehicle in under ten minutes.
18. The existence of the racing map was not disclosed in the respective COC applications for the Subject Vehicles. Therefore, the Subject Vehicles do not conform in all material respects to the design specifications in the respective COC applications and therefore are uncertified. 40 C.F.R. § 1068.101(a)(1)(i). As a result of this material difference in design, the Subject Vehicles are not covered by a COC.
19. Respondents imported or otherwise introduced, or caused the importation and introduction of, the uncertified Subject Vehicles into commerce between 2006 and 2010. The introduction of each of the Subject Vehicles into commerce, or causing the same, is a separate violation of § 203(a)(1) of the Act, 42 U.S.C. § 7522(a)(1), and 40 C.F.R. § 1068.101(a)(1), (b)(5) and (c).
20. Respondents disclosed the existence of the racing map on the Subject Vehicles to the EPA and have fully cooperated in the investigation and resolution of this matter.

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Civil Penalty

21. Respondents must pay to the United States a civil penalty of \$885,000 (EPA Penalty).
22. Respondents must pay the EPA Penalty to the United States within the 30 calendar days immediately following the effective date of this Agreement (as defined in ¶ 36). Late payment is subject to interest and fees as specified in 31 U.S.C. § 3717, and must be paid by Respondents on demand by the United States. Respondents agree to pay the EPA Penalty in the manner specified in subparagraphs a., b., or c. below:
 - a. Mail by United States Postal Service a certified check or cashier's check, payable to the United States of America, to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000
ATTN: AED/MSEB # 12-8009

This check must be identified with case number AED/MSEB # 12-8009 and state that it is remitted by Respondents. Simultaneously, scan and email a copy of the check to Christopher Thompson at thompson.christopher@epa.gov.

- b. Pay online through the Department of the Treasury using www.pay.gov. In the Search Public Form field, enter SFO 1.1, click EPA Miscellaneous Payments - Cincinnati Finance Center, and complete the SFO Form Number 1.1. The payment must be identified with case number AED/MSEB # 12-8009. Within 24 hours of payment, scan and email a copy of the receipt to thompson.christopher@epa.gov.

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- c. Pay by wire transfer as follows:

Federal Reserve Bank of New York
ABA: 021030004
Account # 68010727
SWIFT Address: FRNYUS33
33 Liberty Street
New York, New York 10045

Field tag 4200 of the Fedwire message should read:
“D 68010727 Environmental Protection Agency”

The payment must be identified with case number AED/MSEB # 12-8009. Within 24 hours of payment, scan and email a copy of the wire documents evidencing payment to thompson.christopher@epa.gov.

Excess Emission Mitigation

23. Respondents must complete the following emissions mitigation projects:
- a. Gas Can Exchange Project (Attachment B);
 - b. Low Permeability Fuel Line Supply Replacement Project (Attachment C); and
 - c. Carbon Canisters Project (Attachment D).
24. Respondents must implement the emissions mitigation projects to ensure that 210 tons or more of hydrocarbons (HC) are reduced due to the projects. Completion of each of the emissions mitigation projects fulfills Respondent’s obligation to reduce the estimated emissions tons associated with each project.
25. Respondents may engage third-parties to implement the Gas Can Exchange Project, but Respondents alone are responsible for implementation of each of the projects set forth in ¶ 23.

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Revised Warranty Language

26. Respondents must make the revisions to the warranty policy and owners manual for all ATVs and OFMCs marketed by Suzuki in the United States as set forth in Attachment E.

Reporting Requirements

27. Suzuki must submit a comprehensive final report to the EPA after completion of all of the requirements in Attachments B, C, D, and E within 60 days after the completion of all of the work specified in all of these Attachments. This final report is in addition to the interim status reports required in Attachment B. The final report must document the implementation of the emission mitigation projects and, in accordance with ¶ 24, the mitigation of 210 tons or more of HC. All reports must be submitted as required by ¶¶ 33-34 below.

Stipulated Penalties

28. Respondents will be liable for stipulated penalties to the EPA for each failure by Respondents to comply with the terms of this Agreement. A violation includes failing to perform any obligation required by the terms of this Agreement according to all applicable requirements of this Agreement and within the specified time schedules established by or approved under this Agreement. The following stipulated penalties will apply as provided below:
- a. For failure to make the payment, or any portion thereof, of the EPA Penalty when due, or provide proof of such payment: \$1,000 per day for each day during the first 15 days, and \$3,500 per day thereafter.

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- b. For failing to submit any written deliverable as required by this Agreement or any Attachment: \$750 per deliverable per day for the first 30 days; \$1,000 per deliverable per day for the next 30 days; and \$1,500 per deliverable per day for all days thereafter.
 - c. For failure to complete the Gas Can Exchange Project (Attachment B) within 40 months after the Effective Date: \$100 per tenth of a ton HC not mitigated.
 - d. For any other violation of this Agreement or any Attachment for which a stipulated penalty is not otherwise specified: \$1,000 per violation or vehicle.
29. All stipulated penalties must be paid in the manner specified in ¶ 22 of this Agreement. In addition, a copy of the check(s), receipt(s), and wire document(s) must be sent to Christopher Thompson in the manner specified in ¶ 22.

Effect of Agreement

30. This Agreement resolves the EPA's civil claims for the violations alleged in ¶¶ 17-19 above. The resolution of claims set forth in this paragraph will take effect upon receipt of the civil penalty payment required by ¶ 21, completion of the emissions mitigation projects specified in ¶¶ 23-24, revisions to the warranty policy and owners manual required by ¶ 26, and payment of any stipulated penalties due under ¶ 28 §§ a. and c. Nothing in this Agreement limits the EPA's rights to proceed against Respondents for default or noncompliance with this Agreement, or for violations under the Act, 42 U.S.C. §§ 7401 – 7671(q), that are not the subject matter of this Agreement or the Act's implementing regulations, or for other violations of law.
31. This Agreement in no way affects or relieves Respondents of the responsibility to comply with other United States federal, state or local laws or regulations.

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32. Notwithstanding any other provision of this Agreement, the parties agree that on Respondents' default or failure to comply with the terms of this Agreement, the EPA may refer this matter to the United States Attorney General under § 205(d) of the Act, 42 U.S.C. § 7524(d), to commence a civil action against Respondents in United States Federal District Court to enforce this Agreement, recover civil and stipulated penalties, and pursue any other available remedies. Respondents expressly waive their right to assert that the Subject Vehicles are certified or exempt from the certification requirements, or that such action is barred by 18 U.S.C. § 3282(a), other statutes of limitation, or other provisions limiting actions as a result of passage of time.

General Provisions

33. All correspondence to the EPA required by this Agreement must be in writing and emailed to thompson.christopher@epa.gov or mailed to:

(U.S. Postal Service Mail)
Christopher Thompson
U.S. EPA
Mail Code 2242A
1200 Pennsylvania Ave., NW
Washington, DC 20460
Attn: AED/MSEB # 12-8009

(Overnight Delivery)
Christopher Thompson
U.S. EPA
Ariel Rios South, Room 1117B
1200 Pennsylvania Ave., NW
Washington, DC 20004
Attn: AED/MSEB # 12-8009

34. Each report or document submitted by Respondents to the EPA must be signed by an authorized corporate representative, and must contain the following certification:

I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that this document and its attachments were prepared either by me personally or under my direction or supervision in a manner designed to ensure that qualified and knowledgeable personnel properly gather and present the information contained therein. I further certify, based on my personal knowledge or on my inquiry of those individuals immediately responsible for obtaining the information, that the information is true,

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accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowingly and willfully submitting a materially false statement.

35. All correspondence to Respondents required by this Agreement must be in writing and emailed to and mailed to:

Akio Sano
Department General Manager, Legal Department
Attorney at Law
Suzuki Motor Corporation
300 Takatsuka-cho Minami-ku Hamamatsu City, Japan 432-8611
asano@hhq.suzuki.co.jp

Kenneth Bush
Associate Director – Government Relations
American Suzuki Motor Corporation
3251 E. Imperial Highway
Brea, CA 92821-6795
kbush@suz.com

36. This Agreement becomes effective on the date executed by the EPA (the Effective Date), at which time the EPA will return a fully executed electronic copy to Respondents.
37. The individual or individuals executing this Agreement on behalf of each Respondent are authorized to do so and this Agreement is intended to and binds each Respondent and their respective successors and assigns.
38. This Agreement may be signed in any number of counterparts, each of which will be deemed an original and, when taken together, constitute one agreement. The counterparts are binding on each of the parties individually as fully and completely as if the parties had signed one single instrument, so that the rights and liabilities of the parties will be unaffected by the failure of any of the undersigned to execute any or all of the counterparts. Any signature page may be detached from any counterpart and attached to any other counterpart of this Agreement. The parties agree

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that a facsimile copy, photocopy, or electronic copy of this Agreement will be of full effect as the original document for all purposes.

39. This Agreement constitutes the entire agreement and understanding of the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to the subject matter hereof.
40. Except as provided in ¶ 25, Respondents may not delegate duties under this Agreement to any other party without the written consent of the EPA.
41. Respondents acknowledge that the EPA intends to use Respondents' tax identification number(s), which Respondents have appended to this Agreement, for the purpose of collecting or reporting any delinquent monetary obligations arising from this Agreement. 31 U.S.C. § 7701.
42. Each Respondent consents and submits to the jurisdiction and venue in United States Court; each Respondent waives all objections to such jurisdiction and venue; and each Respondent knowingly waives its due process rights in connection with its consent to jurisdiction and venue.
43. Each Respondent waives its rights, if any, to a hearing, trial or any other proceeding on any issue of fact or law relating to the matters in this Agreement.
44. Nothing in this Agreement, whether express or implied, is intended or will be construed to confer on or give to any party, other than the EPA and Respondents, any rights, remedies, or other benefits.
45. The validity, enforceability, and construction of all matters pertaining to this Agreement will be determined in accordance with applicable United States law.

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46. This Agreement is contingent on the truthfulness, accuracy, and completeness of Respondents' disclosures and representations to the EPA including, without limitation, representations regarding importations and the construction and configuration of the Subject Vehicles.
47. This Agreement in no way affects or relieves Respondents of responsibility to comply with other United States federal, state, or local laws or regulations.
48. If any provision of this Agreement is held unenforceable, then such provision will be modified to reflect the parties' intention. All remaining provisions of this Agreement remain in full force and effect. Time is of the essence in this Agreement.

[SIGNATURES ON FOLLOWING PAGES]

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United States Environmental Protection Agency

Administrative Settlement Agreement

In the Matter of Suzuki Motor Corporation & American Suzuki Motor Corporation

AED/MSEB # 12-8009

The following agree to the terms of this Agreement:

Suzuki Motor Corporation & American Suzuki Motor Corporation

For Suzuki Motor Corporation: _____

Typed or Printed Name: Eiji Mochizuki

Typed or Printed Title: BOARD MEMBER AND SENIOR MANAGING OFFICER
EXECUTIVE GENERAL MANAGER
GLOBAL PURCHASING CENTER

Tax Identification Number: 98-0353193

Date: August 29, 2012

For American Suzuki Motor Corporation: _____

Typed or Printed Name: _____

Typed or Printed Title: _____

Tax Identification Number: 93-0928739

Date: _____

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United States Environmental Protection Agency

Administrative Settlement Agreement

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AED/MSEB # 12-8009

The following agree to the terms of this Agreement:

Suzuki Motor Corporation & American Suzuki Motor Corporation


For Suzuki Motor Corporation: _____

Typed or Printed Name: _____

Typed or Printed Title: _____

Tax Identification Number: 98-0353193 _____

Date: _____

For American Suzuki Motor Corporation:  _____

Typed or Printed Name: Takashi Iwatsuki

Typed or Printed Title: CHAIRMAN OF ASMC

Tax Identification Number: 93-0928739 _____

Date: 08/29/2012

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United States Environmental Protection Agency

Administrative Settlement Agreement

In the Matter of Suzuki Motor Corporation & American Suzuki Motor Corporation

AED/MSEB # 12-8009

The following agrees to the terms of this Agreement:

United States Environmental Protection Agency

By: 

Date: 9/3/2012

Phillip A. Brooks, Director
Air Enforcement Division
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency

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Attachment A – Subject Vehicles

**May 28, 2010 letter from Kenneth M. Bush, Associate Director, Governmental Relations
American Suzuki Motor Corporation to
Mr. William G. Johnson, Compliance and Innovative Strategies Division
U.S. Environmental Protection Agency**

[Attached – two pages]



AMERICAN SUZUKI MOTOR CORPORATION

May 28, 2010

Mr. William G. Johnson
U.S. Environmental Protection Agency
Compliance and Innovative Strategies Division
2000 Traverwood Drive
Ann Arbor, Michigan 48105-2195

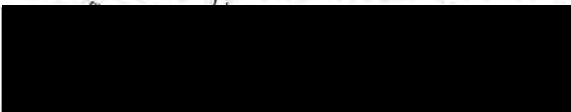
Dear Mr. Johnson:

American Suzuki Motor Corporation submits the enclosed Emissions Defect Information Report in accordance with the requirements of 40 CFR, Part 1068, Subpart F, Section 1068.501.

Please contact me if you have any questions concerning the enclosed information.

Sincerely,

AMERICAN SUZUKI MOTOR CORPORATION



Kenneth M. Bush
Associate Director, Government Relations

cc: Jacqueline Werner, OECA
Christopher Thompson, OECA
EDIR/VERR Coordinator

**EMISSION DEFECT INFORMATION REPORT FOR
U.S. ENVIRONMENTAL PROTECTION AGENCY**

**Information Required by 40 CFR
Part 1068, Subpart F, Section 1068.501**

(1) Name of Manufacturer and Contact Person

Manufacturer: Suzuki Motor Corporation

Contact: Kenneth M. Bush
Associate Director, Government Relations
American Suzuki Motor Corporation

(2) Description of the Defect

The engine control module was produced with a secondary engine map that results in increased horsepower when the vehicles are modified for racing use. To access the secondary engine map, owners must modify their vehicle by purchasing and installing an aftermarket part. The aftermarket part, which is intended for racing use only, and is labeled for closed course racing use only, provides access to the secondary map.

(3) Description of Affected Vehicles

Affected vehicles are described below.

Model	Model Year	Test Group	Production Dates
LT-R450	2006	6SKXX.450XT1	12/13/2005 – 5/08/2006
	2007	7SKXX.450XT1	6/02/2006 – 3/22/2007
	2008	8SKXX.450XT2	5/18/2007 – 4/25/2008
	2009	9SKXX.450XT3	09/18/2008 – 11/21/2008
RMX450Z	2010	ASKXX.450XT3	09/22/2009 – 2/26/2010

(4) Number of Affected Vehicles

The number of affected vehicles sold as of May 21, 2010 is shown below.

Model	Model Year	Federal Sales	California Sales
LT-R450	2006	10,451	3,150
	2007	5,432	1,669
	2008	3,596	680
	2009	393	25
RMX450Z	2010	46	16
	Total	19,918	5,540

Attachment B

Gas Can Exchange Project

1. GENERAL DESCRIPTION

Suzuki will work with local jurisdictions in the United States to provide portable fuel containers (PFCs) that comply with current EPA regulatory requirements (new certified PFCs) to replace older PFCs that are not certified to current standards (older uncertified PFCs). The number of PFCs required in this project will be sufficient to achieve 42.02 tons or more of reductions in emissions of volatile organic compounds (VOCs). These emissions reductions will be determined on the basis that replacement of an older uncertified 5-gallon PFC will achieve 20.16 pounds of VOC reductions and that replacement of an older uncertified 2-gallon PFC will achieve 14.84 pounds of VOC reductions. The emissions reductions will be calculated assuming exchanges are made on a like-for-like basis (e.g., a new certified 2-gallon PFC replaces an older uncertified 2-gallon PFC).

Suzuki will:

- a. Purchase and ship to local jurisdictions at no charge new certified PFCs in quantities agreed upon with the local jurisdictions.
- b. Work with the local jurisdictions so that they will complete, within 16 months of the Effective Date, replacement of older uncertified PFCs in a quantity sufficient to achieve the specified emissions reductions.
- c. If Suzuki (working with the local jurisdictions), has not timely completed replacement of the requisite number of older uncertified PFCs in accordance with ¶ 1.b, Suzuki will work with the local jurisdictions so that they will complete, within 12 months thereafter, replacement of a sufficient quantity of older uncertified PFCs to achieve the emissions shortfall plus an additional 10% of the emissions shortfall.

2. PROGRAM STRUCTURE

Suzuki's agreements with the local jurisdictions distributing the new certified PFCs will provide that the local jurisdiction will:

- a. Distribute the new certified PFCs to end users at no charge in exchange for older uncertified PFCs that are functional at the time of the exchange;
- b. Render the older uncertified PFC unusable (by either punching or cutting a hole in the PFC or an equivalent method that is equally effective);
- c. Properly dispose of any waste petroleum product in accordance with applicable requirements;

- d. Complete the distribution of the new certified PFCs within one year of receipt of the new certified PFCs; and
- e. Complete and provide to Suzuki a report within 30 days after completion of the new certified PFC exchange program certifying that the local jurisdiction completed the program in accordance with the terms specified in ¶ 2 and verifying the final number of new certified 2-gallon and 5-gallon PFCs exchanged.

3. REPORTS

- a. Suzuki will prepare interim status reports every six months verifying the amount of emissions reductions achieved (including any additional emission reductions required by ¶ 3.b. below) and identifying any issues Suzuki encounters in implementing this project. The interim status reports must include copies of all certifications of completion received from the local agencies by those dates. These status reports must be submitted to the EPA in accordance with the requirements of ¶¶ 33-34 of the Agreement no later than one month after each six-month period.
- b. If Suzuki fails to achieve the emission reductions specified above within 16 months of the Effective Date, then Suzuki must continue to submit status updates every six months, which must verify the amount of emissions reductions achieved (including the additional reductions required as 10% of the shortfall) and must include copies of all final reports from the local agencies. Suzuki's interim reporting obligations will be terminated when Suzuki reports the achievement of the emission reductions specified above.

4. SHORTFALLS

If Suzuki fails to timely recapture the excess emissions described in ¶ 1 of the gas can program (i.e., the specified emissions reductions and the additional reductions required as 10% of the shortfall referred to in ¶ 1.c. above), despite good faith efforts to do so, it will make up for any shortfall of excess emissions (including the additional reductions required as 10% of the shortfall), by no later than 40 months after the Effective Date, through sales of additional on-highway motorcycles outside of California that are among the models specified in Attachment D as meeting California Air Resources Board evaporative emission control requirements, codified at Cal. Code Regs. Tit. 13, § 1976, sufficient to achieve emissions reductions equal to the shortfall and provide documentation of the sales to the EPA.

For the avoidance of doubt, it is understood that, assuming Suzuki makes a good faith effort to implement the gas can program to achieve the emissions reductions described in ¶ 1, all on-highway motorcycles meeting the California evaporative emissions control requirements sold in excess of the 1,924 vehicles to be sold in accordance with ¶ 2 of Attachment D (Carbon Canisters Project) are to be credited toward the satisfaction of the shortfall (including the additional reductions required as 10% of the shortfall).

Suzuki may terminate the gas can exchange program any time after the date that is 16 months from the Effective Date if, in the meantime, it has sold a sufficient number of these vehicles to address

any shortfall (including the additional reductions required as 10% of the shortfall). Termination under these conditions shall be considered an acceptable completion of the gas can exchange program. The additional emissions reductions achieved by selling on-highway motorcycles meeting the California evaporative emission control requirements will be calculated on the basis that each additional motorcycle achieves additional emission reductions of 0.081 tons of hydrocarbons per vehicle.

Attachment C

Low Permeability Fuel Line Supply Replacement Project

1. Within six months following the Effective Date, Suzuki must discontinue its sale in the United States of high-permeability fuel line hoses, and instead sell only fuel line hoses meeting the specifications set forth in the attached regulations as replacement fuel line hoses, for all Model Year 2006 and 2007 Suzuki on-road motorcycles, off-road motorcycles and all-terrain vehicles. Suzuki estimates that this project will achieve reductions in volatile organic compound emissions of at least 14.2 tons. Specifications relating to the replacement hoses are attached.

2. Suzuki's Model Year 2006 and 2007 on-road motorcycles, off-road motorcycles, and all terrain vehicles include the following models:
 - DR200S
 - DR650S
 - DR-Z125
 - DR-Z125L
 - DR-Z250
 - DR-Z400E
 - DR-Z400SM
 - GS500F
 - GSX600F
 - GSX750F
 - GZ250
 - JR50
 - LS650
 - LT-F250
 - LT-Z50
 - LT-Z90
 - VS800
 - VS1400
 - VZ800

§ 1051.110

40 CFR Ch. I (7-1-11 Edition)

chapter (such as 40 CFR part 90). Table 1 follows:

TABLE 1 OF § 1051.107—EXHAUST EMISSION STANDARDS FOR ATVs (g/km)

Phase	Model year	Phase-in (percent)	Emission standards		Maximum allowable family emission limits	
			HC+NO _x	CO	HC+NO _x	CO
Phase 1	2006	50	1.5	35	20.0	
	2007 and later	100	1.5	35	20.0	

(2) You may certify ATVs with engines that have total displacement of less than 100 cc to the exhaust emission standards in §1051.615 instead of certifying them to the exhaust emission standards of this section. Count all such vehicles in the phase-in (percent) requirements of this section.

(b) The exhaust emission standards in this section apply for ATVs using the fuel type on which they are designed to operate. You must meet the numerical emission standards for hydrocarbons in this section based on the following types of hydrocarbon emissions for ATVs powered by the following fuels:

- (1) Natural gas-fueled ATVs: NMHC emissions.
- (2) Alcohol-fueled ATVs: THCE emissions.
- (3) Other ATVs: THC emissions.

(c) Your ATVs must meet emission standards over their full useful life. For ATVs with engines that have total displacement of 100 cc or greater, the minimum useful life is 10,000 kilometers, 1000 hours of engine operation, or five years, whichever comes first. For ATVs with engines that have total displacement of less than 100 cc, the minimum useful life is 5,000 kilometers, 500 hours of engine operation, or five years, whichever comes first. You must specify a longer useful life for the engine family in terms of kilometers and hours if the average service life of your vehicles is longer than the minimum value, as follows:

(1) Except as allowed by paragraph (c)(2) of this section, your useful life (in kilometers) may not be less than either of the following:

(i) Your projected operating life from advertisements or other marketing materials for any vehicles in the engine family.

(ii) Your basic mechanical warranty for any engines in the engine family.

(2) Your useful life may be based on the average service life of vehicles in the engine family if you show that the average service life is less than the useful life required by paragraph (c)(1) of this section, but more than the minimum useful life (10,000 kilometers or 1,000 hours of engine operation). In determining the actual average service life of vehicles in an engine family, we will consider all available information and analyses. Survey data is allowed but not required to make this showing.

[67 FR 68347, Nov. 8, 2002, as amended at 70 FR 40488, July 13, 2005; 73 FR 59246, Oct. 8, 2008]

§1051.110 What evaporative emission standards must my vehicles meet?

Your new vehicles that run on a volatile liquid fuel (such as gasoline) must meet the emission standards of this section over their full useful life. Note that §1051.245 allows you to use design-based certification instead of generating new emission data.

(a) Beginning with the 2008 model year, permeation emissions from your vehicle's fuel tank(s) may not exceed 1.5 grams per square-meter per day when measured with the test procedures for tank permeation in subpart F of this part. You may generate or use emission credits under the averaging, banking, and trading (ABT) program, as described in subpart H of this part.

(b) Beginning with the 2008 model year, permeation emissions from your vehicle's fuel lines may not exceed 15 grams per square-meter per day when measured with the test procedures for fuel-line permeation in subpart F of this part. Use the inside diameter of the hose to determine the surface area of the hose.

(c) You may certify your fuel tanks and fuel lines under the provisions of 40 CFR part 1060. You may also specify in your application for certification that you are using components that have been certified by the component manufacturer.

[67 FR 68347, Nov. 8, 2002, as amended at 70 FR 40488, July 13, 2005; 73 FR 59246, Oct. 8, 2008]

§ 1051.115 What other requirements apply?

Vehicles that are required to meet the emission standards of this part must meet the following requirements:

(a) *Closed crankcase.* Crankcase emissions may not be discharged directly into the ambient atmosphere from any vehicle throughout its useful life.

(b) [Reserved]

(c) *Adjustable parameters.* Vehicles that have adjustable parameters must meet all the requirements of this part for any adjustment in the physically adjustable range. Note that parameters that control the air-fuel ratio may be treated separately under paragraph (d) of this section. An operating parameter is not considered adjustable if you permanently seal it or if it is not normally accessible using ordinary tools. We may require that you set adjustable parameters to any specification within the adjustable range during any testing, including certification testing, production-line testing, or in-use testing.

(d) *Other adjustments.* This provision applies if an experienced mechanic can change your engine's air-fuel ratio in less than one hour with a few parts whose total cost is under \$50 (in 2001 dollars). Examples include carburetor jets and needles. In the case of carburetor jets and needles, your vehicle must meet all the requirements of this part for any air-fuel ratio within the adjustable range described in paragraph (d)(1) of this section.

(1) In your application for certification, specify the adjustable range of air-fuel ratios you expect to occur in use. You may specify it in terms of engine parts (such as the carburetor jet size and needle configuration as a function of atmospheric conditions).

(2) This adjustable range (specified in paragraph (d)(1) of this section) must

include all air-fuel ratios between the lean limit and the rich limit, unless you can show that some air-fuel ratios will not occur in use.

(i) The lean limit is the air-fuel ratio that produces the highest engine power output (averaged over the test cycle).

(ii) The rich limit is the richest of the following air-fuel ratios:

(A) The air-fuel ratio that would result from operating the vehicle as you produce it at the specified test conditions. This paragraph (d)(2)(ii)(A) does not apply if you produce the vehicle with an unjetted carburetor so that the vehicle must be jetted by the dealer or operator.

(B) The air-fuel ratio of the engine when you do durability testing.

(C) The richest air-fuel ratio that you recommend to your customers for the applicable ambient conditions.

(3) If the air-fuel ratio of your vehicle is adjusted primarily by changing the carburetor jet size and/or needle configuration, you may submit your recommended jetting chart instead of the range of air-fuel ratios required by paragraph (d)(1) of this section if the following criteria are met:

(i) Good engineering judgment indicates that vehicle operators would not have an incentive to operate the vehicle with richer air-fuel ratios than recommended.

(ii) The chart is based on use of a fuel that is equivalent to the specified test fuel(s). As an alternative you may submit a chart based on a representative in-use fuel if you also provide instructions for converting the chart to be applicable to the test fuel(s).

(iii) The chart is specified in units that are adequate to make it practical for an operator to keep the vehicle properly jetted during typical use. For example, charts that specify jet sizes based on increments of temperature smaller than 20 °F (11.1 °C) or increments of altitude less than 2000 feet would not meet this criteria. Temperature ranges must overlap by at least 5 °F (2.8 °C).

(iv) You follow the jetting chart for durability testing.

(v) You do not produce your vehicles with jetting richer than the jetting chart recommendation for the intended vehicle use.

Attachment D

Carbon Canisters Project

1. GENERAL DESCRIPTION

Suzuki will equip the specified Model Year 2013 Suzuki on-highway motorcycles that are to be sold in all states of the United States except California to meet California Air Resources Board evaporative emission requirements codified at Cal. Code Regs. Tit. 13, § 1976. The parties estimate that this project will achieve reductions in volatile organic compound emissions of 155.6 tons through the sale of 1,924 motorcycles so equipped.

2. PROGRAM STRUCTURE

- a. The on-highway motorcycle models subject to this program are Model Year 2013 with engine displacement of at least 1000 cc and will include: VZR1800 series, VL1500 series and VZ1500 series.
- b. Suzuki will sell 1,924 or more on-highway motorcycles in the United States among the models identified in ¶ 2.a. If Suzuki sales do not reach 1,924 for Model Year 2013, then Suzuki must equip sufficient numbers of other model vehicles to meet California Air Resources Board evaporative emission control requirements codified at Cal. Code Regs. Tit. 13, § 1976 for Model Year 2014, to achieve a total of 1,924 equipped vehicles sold in Model Years 2013 and 2014.
- c. Suzuki must document all sales under this Carbon Canisters Project, including sales to achieve the emissions reductions of 155.6 tons and any additional sales necessary to cover any shortfall in accordance with ¶ 4 of Attachment B.

Attachment E

Revised Warranty Language

Suzuki will make the following modifications and additions to its Warranty Policy and Owner's Manual for ATVs and Off-Road Motorcycles in order to expand and increase awareness of information about emissions control systems, environmental regulations, prohibited modifications, and acts that could result in loss of warranty coverage.

1. WARRANTY POLICY FOR ATVs & OFF-ROAD MOTORCYCLES

Suzuki will modify the provision regarding modifications under the "What is not covered" to state:

Damage caused by alterations or modifications not approved by American Suzuki, such as use of non-Suzuki Genuine Parts or Accessories. Damage caused by modifications that would change the original vehicle specifications including, without limitation, modifications of any emission-related parts such as carburetor(s), fuel injection system components, the engine control module, air suction system components, the catalytic converter (if equipped), fuel permeation control system components (such as the fuel tank, fuel hoses, and vapor hoses), etc.

2. OWNER'S MANUAL FOR ATVs & OFF-ROAD MOTORCYCLES

Suzuki will add the following three new sections to its Owner's Manual:

- a. Suzuki will add a new section entitled "MODIFICATION" as follows.

MODIFICATION

Modification of the vehicle or removal of original equipment may render the vehicle unsafe or illegal. Obey all applicable regulations in your area including federal and state regulations regarding environmental protection. Suzuki's limited warranties may not cover damage caused by modifications that would change the original vehicle specifications including, without limitation, modifications of any emission-related parts such as the carburetor(s), fuel injection system components, the engine control module, air suction system components, the catalytic converter (if equipped), fuel permeation control system components (such as the fuel tank, fuel hoses and vapor hoses), etc.

It is strictly prohibited to modify a vehicle by installing parts that can affect emissions control, except in accordance with very specific U.S. Environmental Protection Agency and California Air Resources Board regulations.

- b. Suzuki will add a new section entitled “EMISSION CONTROL SYSTEMS” as follows.

EMISSION CONTROL SYSTEMS

Your vehicle is subject to U.S. Environmental Protection Agency (EPA) and California Air Resources Board (CARB) emission regulations. These regulations set specific standards for exhaust emission output levels and fuel permeation emissions, as well as particular servicing requirements.

Exhaust Emission Control System

The exhaust emission control system of your vehicle includes a number of parts. While the emission-related parts may vary from model to model, they generally include components of the air induction system, fuel system, ignition system, and exhaust gas recirculation system, as well as devices such as catalytic converters, emission-related sensors, and electronic control units.

Fuel Permeation Emission Control System

The fuel permeation control system of your vehicle consists of the fuel tank, fuel hoses, and fuel vapor hoses. These parts incorporate technologies to control fuel permeation emissions.

Servicing Requirements

It is essential to have your vehicle serviced according to the maintenance schedule in this manual to maintain good emission performance and to preserve your emission warranty coverage. If parts replacement is necessary, replace the parts with Genuine Suzuki parts or their equivalent. Installing improper replacement parts or performing improper adjustments can cause your vehicle to exceed emission level limits. Tampering with emission-related components in a manner which defeats or reduces the effectiveness of these components is prohibited by federal law.

- c. Suzuki will add a new section entitled “WARRANTIES” as follows.

WARRANTIES

The warranties for your ATV [off-road motorcycle] are explained in a separate warranty policy booklet given to you at the time of sale. Please read this booklet carefully so you can understand your rights and responsibilities. The following warranties are provided with your ATV [off-road motorcycle]:

- New ATV [Off-road motorcycle] Limited Warranty

- ATV [Off-road motorcycle] Federal Emission Control System Limited Warranty

Suzuki limited warranties and Federal Emission Control System Limited Warranty may not cover damage caused by modifications that would change the original vehicle specifications including, without limitation, modifications of any emission-related parts such as the carburetor(s), fuel injection system components, the engine control module, air suction system components, the catalytic converter (if equipped), fuel permeation control system components, etc.