

## SETTLEMENT AGREEMENT

The Commissioner of Labor (hereinafter referred to as "Commissioner") and Autoline Industries of Indiana, (hereinafter referred to as "Employer") hereby agree as follows:

The Commissioner amends the Safety Order(s) and Notification(s) of Penalty, IOSHA Inspection No. 316485176 issued to the Employer on July 27, 2012 in the following manner.

### SAFETY ORDER 01:

- Item 1: Deleted in its entirety
- Item 2: Upheld, Serious, penalty reduced to \$750.00
- Item 3a: Upheld, Serious and penalty reduced to \$500
- Item 4: Upheld, Serious and Penalty reduced to \$0.00
- Item 5: Upheld, Serious and Penalty reduced to \$750
- Item 6: Upheld, Serious and Penalty reduced to \$350
- Item 7: *Reclassified to NON-SERIOUS and penalty reduced to \$400*

### SAFETY ORDER 02:

- Item 1: Upheld
- Item 2: Upheld

*Go for DC*

All Abatement paperwork is due. Please forward with your payment.

**The TOTAL AGREED PENALTY is \$2750.00**

THE EMPLOYER IS SATISFIED WITH THE AMENDMENTS STATED ABOVE AND ACCORDINGLY WAIVES ITS RIGHT TO FILE A NOTICE OF CONTEST OF THE SAFETY ORDER(S) AND NOTIFICATION(S) OF PENALTY AS AMENDED AND AGREES TO WITHDRAW ANY PREVIOUSLY FILED NOTICES OF CONTEST IN THIS MATTER.

Upon full execution of this Settlement Agreement ("Agreement") the Employer will post this Agreement for three (3) working days or until abatement is completed, whichever period is longer.

The total AGREED PENALTY is due and payable within fifteen (15) working days from the Employer's execution of this Agreement. The Employer further agrees that if the AGREED PENALTY is not paid within fifteen working days from the Employer's execution of this Agreement, that the full amount of the penalty initially assessed against the Employer in the Safety Order(s) and Notification(s) of Penalty which are the subject of this Agreement is due and payable immediately.

The Safety Order(s) and Notification(s) of Penalty are, and shall be, herein a final and enforceable Order of the Board of Safety Review.

Except for this Agreement, and matters arising out of this Agreement, and any other subsequent IOSHA proceedings between the parties, none of the foregoing agreements, statements, findings, and actions taken by Employer shall be deemed an admission by Employer of the allegations contained within the Safety Order(s) and Notification(s) of Penalty. The agreements, statements, findings and actions taken herein are made in order to compromise and settle this matter economically and amicably, and they shall not be used for any other purpose, except as herein stated.

AUTOLINE INDUSTRIES OF INDIANA

COMMISSIONER OF LABOR

By: Andrew A Fox

By: [Signature]

Title: Safety Director

Title: DC/LABOR

Date: 8/16/12

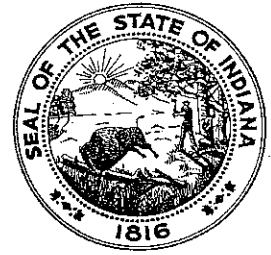
Date: 8/20/12

By:

[Signature]  
Jeffrey Carter  
Deputy Commissioner of Labor &  
Chief of OSHA Operations

August 9, 2012

Indiana Department of Labor  
Indiana Occupational Safety and Health Administration  
402 West Washington Street  
Room W195  
Indianapolis, IN 46204-2751  
Phone: 317/232-1979 Fax: 317/233-8509



*Certified mail # 70231010 00035732 3791 7-27-12 jts*

## Safety Order and Notification of Penalty

**To:**

Autoline Industries Indiana,  
and its successors  
P.O. Box 100  
100 Commerce Street  
Butler, IN 46721

**Inspection Number:** 316485176

**Inspection Date(s):** 07/09/2012 - 07/10/2012

**Issuance Date:** 07/27/2012

**Inspection Site:**

100 Commerce St.  
Butler, IN 46721

*The violation(s) described in this Safety Order 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.*

An inspection of your place of employment has revealed conditions which we believe do not comply with the provisions of the Indiana Occupational Safety and Health Act (Indiana Code Chapter 22-8-1.1) or the standards or rules adopted thereunder. Accordingly, enclosed please find safety order(s) and notification(s) of penalty describing such violation(s) with references to applicable standards, rules, or provisions of the statute and stating the amount of any penalty(ies).

**Informal Conference** - Please be advised that it may be possible to informally settle any potential dispute without initiating the more elaborate proceedings brought on by a petition for review. Prior to filing a petition for review, you may request an informal conference concerning any of the results of the inspection (safety orders, penalties, abatement dates, etc.) by contacting the Indiana Department of Labor/IOSHA, preferably by telephone, in a prompt manner. Please be advised that a request for an informal conference cannot extend the fifteen working day period for filing a petition for review. Informal conferences frequently resolve any possible disputes, and therefore you are urged to take advantage of this opportunity. Because of the limited time period and in order to facilitate scheduling, any requests for an informal conference should be made promptly upon your receipt of the safety order(s) and notification(s) of penalty.

**Right to Contest** - You are hereby also notified that you are entitled to seek administrative review of the safety order(s), penalty(ies), or both by filing a written petition for review at the above address postmarked within fifteen working days of your receipt of the safety order(s) and notification(s) of penalty. ("Working days" means

Mondays through Fridays, but does not include Saturdays, Sundays, legal holidays under a state statute or days on which the Indiana Department of Labor's offices are closed during regular business hours). If you do not file such a petition for review (contest), the safety order(s) and penalty(ies) shall be deemed final orders of the Board of Safety Review and not subject to review by any court or agency. The issuance of a safety order does not constitute a finding that a violation has occurred unless no petition for review is filed, or if a petition for review (contest) is filed, it must contain a statement of its basis and should reference the above inspection number. Upon receipt of your petition for review, we will affirm, amend or dismiss the safety order(s) and notification(s) of penalty. If we affirm, your petition for review will be granted (unless it was not timely) and the dispute will be certified by the Board of Safety Review for further proceedings. The Board of Safety Review is an independent agency appointed by the governor with authority to conduct hearings and to issue decisions concerning disputed safety order(s) and notification(s) of penalty. If we amend the safety order(s) or notification(s) of penalty, your petition for review shall be deemed moot. However, you will then be given an opportunity to file a petition for review concerning the amended safety order(s) and notification(s) of penalty.

Please be advised that an employee or representative of employees may file a petition for review to contest the reasonableness of the time stated in the safety order(s) for the abatement of any violation.

**Posting** - Upon receipt of any safety order(s) you are required to post such safety order(s), or a copy thereof, unedited, at or near each place an alleged violation referred to in the safety order(s) occurred. However, if your operations are such that it is not practicable to post the safety order(s) at or near each place of alleged violation, such safety order(s) shall be posted, unedited, in a prominent place where it will be readily observable by all affected employees. For example, if you are engaged in activities which are physically dispersed, the safety order(s) may be posted at the location from which the employees operate to carry out their activities. You must take steps to ensure that the safety order is not altered, defaced, or covered by other material. Posting shall be until the violation is abated, or for three working days, whichever is longer.

**Penalties** - Penalties are due within fifteen (15) working days of receipt of this notification unless contested. Abatement does not constitute payment of penalties.

**Abatement** - The conditions cited in the safety order(s) must be corrected (abated) on or before the date shown for each item on the safety order(s) and notification(s) of penalty unless:

- (1) You file a petition for review concerning the violation, in which case the full abatement period shall commence from the issuance of a final decision by the Board of Safety Review or the courts which requires compliance with the safety order; or
- (2) The abatement period is extended by the granting of a petition for modification of abatement date.

**PMAs** - The petition for modification of abatement date is a manner in which you may seek additional time to correct (abate) a violation without having to file a petition for review concerning the safety order, or after the expiration of the time period to file such a petition for review when it becomes apparent that you need extra time to abate the violation. A petition for modification of abatement date shall be in writing and shall include the following information:

(1) All steps you have taken, and the dates of such actions, in an effort to achieve compliance during the prescribed abatement period.

(2) The specific additional abatement time necessary in order to achieve compliance.

(3) The reasons such additional time is necessary, including the unavailability of professional or technical personnel or of materials and equipment, or because necessary construction or alteration of facilities cannot be completed by the original abatement date.

(4) All available interim steps being taken to safeguard employees against the cited hazard during the abatement period.

(5) A certification that a copy of the petition has been posted, and if appropriate, served on the authorized representative of affected employees, and a certification of the date upon which such posting and service was made.

A petition for modification of abatement date shall be filed with the Indiana Department of Labor/IOSHA no later than the close of the next working day following the date on which abatement was originally required. A later-filed petition shall be accompanied by the employer's statement of exceptional circumstances explaining the delay. A copy of such petition shall be posted in a conspicuous place where all affected employees will have notice thereof or near such location where the violation occurred. The petition shall remain posted until the time period for the filing of a petition for review of the Commissioner's granting or denying the petition expires. Where affected employees are represented by an authorized representative, said representative shall be served a copy of such petition.

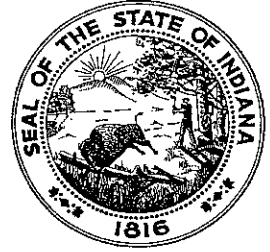
**Notification of Corrective Action** - Correction of the alleged violations which have an abatement period of thirty (30) days or less should be reported in writing to us promptly upon correction. A "Letter of Abatement" form and an "Abatement Photographs" worksheet are enclosed for your assistance in providing adequate documentation of abatement. Reports of corrections should show specific corrective action on each alleged violation and the date of such action. On alleged violations with abatement periods of more than thirty (30) days, a written progress report should be submitted, detailing what has been done, what remains to be done, and the time needed to fully abate each such violation. When the alleged violation is fully abated, we should be so advised. Timely correction of an alleged violation does not affect the initial proposed penalty.

**Followup Inspections** - Please be advised that a followup inspection may be made for the purpose of ascertaining that you have posted the safety order(s) and corrected the alleged violations. Failure to correct an alleged violation may result in additional penalties for each day that the violation has not been corrected.

**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 Indiana Department of Labor/IOSHA at the address shown above.

**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 Indiana Department of Labor/IOSHA at the address shown above within fifteen (15) working days (excluding weekends and State holidays) or receipt by the employer of this safety order and penalty.

If you wish additional information, you may direct such requests to us at the address or telephone number stated above.



## NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

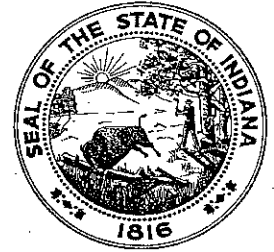
An informal conference has been scheduled with IOSHA to discuss the safety order(s) issued on 07/27/2012. The conference will be held at the IOSHA office located at 402 West Washington Street, Room W195, Indianapolis, IN 46204 on \_\_\_\_\_ at \_\_\_\_\_.

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

**Indiana Department of Labor**

Indiana Occupational Safety and Health  
Administration

Inspection Number: 316485176  
Inspection Dates: 07/09/2012 - 07/10/2012  
Issuance Date: 07/27/2012



**Safety Order and Notification of Penalty**

**Company Name:** Autoline Industries Indiana  
**Inspection Site:** 100 Commerce St., Butler, IN 46721

**Safety Order 1 Item 1 Type of Violation: **Serious****

22 8 1 .1 sec 2 Each employer shall furnish to each of his employees employment and a place of employment which are free from recognized hazards that are causing or are likely to cause death or serious physical harm to his employees in that employees could be operating unsafe aerial lifting platforms.

Maintenance dept./Plant area - There was no annual inspections made on the Mayville Engr. Co scissor lift, the Skyjack scissor lift and the Simon articulating arm lift. Refer: ANSI A92.2 - 1990 - Section 8.2.4

Among other methods, a feasible abatement method to correct this hazard is to have a qualified person perform and document annual inspections of the aerial lifts.

**Date By Which Violation Must be Abated:** **08/29/2012**  
**Proposed Penalty:** **\$1,875.00**

**Safety Order 1 Item 2 Type of Violation: **Serious****

29 CFR 1910.23(c)(1): Open sided floor(s) or platform(s) 4 feet or more above the adjacent floor or ground level were not guarded by standard railings (or the equivalent as specified in 29 CFR 1910.23(e)(3)(i) through (v)), on all open sides:

Waste water area - The platform above the waste oil tank had open areas in the railing and the top of the ladder exposing employees to a fall hazard.

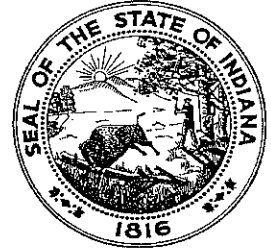
**Date By Which Violation Must be Abated:** **08/29/2012**  
**Proposed Penalty:** **\$1,500.00**



**Indiana Department of Labor**

Indiana Occupational Safety and Health  
Administration

**Inspection Number:** 316485176  
**Inspection Dates:** 07/09/2012 -  
07/10/2012  
**Issuance Date:** 07/27/2012



**Safety Order and Notification of Penalty**

**Company Name:** Autoline Industries Indiana  
**Inspection Site:** 100 Commerce St., Butler, IN 46721

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

**Safety Order 1 Item 3a Type of Violation: **Serious****

29 CFR 1910.212(a)(1): Machine guarding was not provided to protect operator(s) and other employees from hazard(s) created by: rotating parts.

- a) Mill side water saver - There were two pumps, one running, which did not have the shafts guarded.
- b) Tool room - The Jet lathe did not have a chuck guard.
- c) Paint line - There were two stirrers in the dip tank with unguarded rotating shafts.

**Date By Which Violation Must be Abated:** 08/29/2012  
**Proposed Penalty:** \$1,500.00

**Safety Order 1 Item 3b Type of Violation: **Serious****

29 CFR 1910.212(a)(3)(ii): Point(s) of operation of machinery were not guarded to prevent employee(s) from having any part of their body in the danger zone(s) during operating cycle(s):

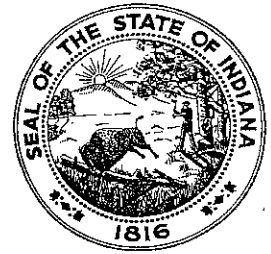
Handle machine area - The handle machine, 51 MEXTST, had the front side of the machine open exposing the point of operation.

**Date By Which Violation Must be Abated:** 08/29/2012

**Indiana Department of Labor**

Indiana Occupational Safety and Health  
Administration

Inspection Number: 316485176  
Inspection Dates: 07/09/2012 - 07/10/2012  
Issuance Date: 07/27/2012



**Safety Order and Notification of Penalty**

**Company Name:** Autoline Industries Indiana  
**Inspection Site:** 100 Commerce St., Butler, IN 46721

**Safety Order 1 Item 4 Type of Violation: **Serious****

29 CFR 1910.215(b)(9): Guard for abrasive wheel machine where the operator stands in front of the machine was not constructed so that the peripheral protecting member could be adjusted to the constantly decreasing diameter of the wheel:

Maintenance area - The Wilton pedestal grinder did not have a tongue guard on the right side wheel.

**Date By Which Violation Must be Abated:** **Corrected During Inspection**  
**Proposed Penalty:** **\$1,500.00**

**Safety Order 1 Item 5 Type of Violation: **Serious****

29 CFR 1910.217 (c)(1)(i) It shall be the responsibility of the employer to provide and insure the usage of "point of operation guards" or properly applied and adjusted point of operation devices on every operation performed on a mechanical power press. See Table O-10.

Press area - The Minster press #9 had an opening in the back side guard exposing the point of operation.

**Date By Which Violation Must be Abated:** **Corrected During Inspection**  
**Proposed Penalty:** **\$1,500.00**

**Safety Order 1 Item 6 Type of Violation: **Serious****

29 CFR 1910.303(g)(2)(i): Live parts of electric equipment operating at 50 volts or more were not guarded against accidental contact by approved cabinets or other forms of approved enclosures, or other means listed under this provision:

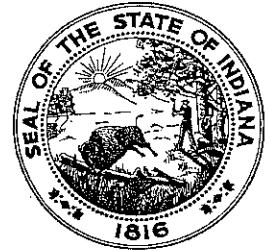
Spinner area - The General Electric load center had the top left breaker space partially open exposing live bare parts.

**Date By Which Violation Must be Abated:** **Corrected During Inspection**  
**Proposed Penalty:** **\$1,875.00**

**Indiana Department of Labor**

Indiana Occupational Safety and Health  
Administration

Inspection Number: 316485176  
Inspection Dates: 07/09/2012 - 07/10/2012  
Issuance Date: 07/27/2012



**Safety Order and Notification of Penalty**

Company Name: Autoline Industries Indiana  
Inspection Site: 100 Commerce St., Butler, IN 46721

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Safety Order 1 Item 7 Type of Violation: **Serious**

29CFR1910.1052(d)(1)(i) Where MC is present in the workplace the employer shall determine each employee's exposure by either:

- (A) Taking a personal breathing zone air sample of each employees exposure: or
- (B) Taking personal breathing zone air samples that are representative of each employee's exposure.

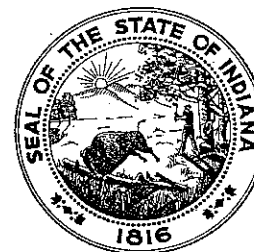
Welding areas - Air sampling had not been performed in areas where Radnor anti-spatter containing Methylene Chloride is used.

**Date By Which Violation Must be Abated: 08/29/2012**  
**Proposed Penalty: \$1,875.00**

**Indiana Department of Labor**

Indiana Occupational Safety and Health  
Administration

Inspection Number: 316485176  
Inspection Dates: 07/09/2012 - 07/10/2012  
Issuance Date: 07/27/2012



**Safety Order and Notification of Penalty**

Company Name: Autoline Industries Indiana  
Inspection Site: 100 Commerce St., Butler, IN 46721

**Safety Order 2 Item 1 Type of Violation: **Non-Serious****

29 CFR 1910.253(b)(4)(iii): Oxygen cylinders in storage were not separated from fuel-gas cylinders or combustible materials (especially oil or grease), a minimum distance of 20 feet (6.1 m) or by a noncombustible barrier at least 5 feet (1.5 m) high having a fire resistance rating of at least one-half hour:

Tool Room - There was one LP cylinder stored about 13 feet from 3 oxygen compressed gas cylinders.

**Date By Which Violation Must be Abated:** **Corrected During Inspection**  
**Proposed Penalty:** **\$ .00**

**Safety Order 2 Item 2 Type of Violation: **Non-Serious****

29 CFR 1910.303(e)(1)(i): The manufacturer's name, trademark, or other descriptive marking by which the organization responsible for the product may be identified was not placed on the electrical equipment that was used:

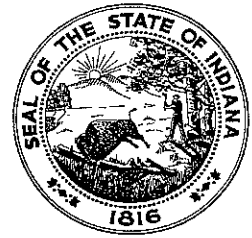
Receiving area - The load center on the North side of the area did not have the name or other identifier on the panel.

**Date By Which Violation Must be Abated:** **08/29/2012**  
**Proposed Penalty:** **\$ .00**

  
\_\_\_\_\_  
Robert A. Kattau  
Director, Industrial Compliance

**Indiana Department of Labor**

Indiana Occupational Safety and Health Administration  
402 West Washington Street  
Room W195  
Indianapolis, IN 46204-2751  
Phone: 317/232-1979 Fax: 317/233-8509



**INVOICE/DEBT COLLECTION NOTICE**

**Company Name:** Autoline Industries Indiana  
**Inspection Site:** 100 Commerce St., Butler, IN 46721  
**Issuance Date:** 07/27/2012

**Summary of Penalties for Inspection Number 316485176**

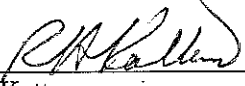
Safety Order 01, Serious	=	\$11,625.00
Safety Order 02, Non-Serious	=	\$0.00
Total Proposed Penalties		\$11,625.00

Penalties are due within fifteen (15) working days of receipt of this notification unless contested. Make your check or money order payable to: "Indiana DOL/IOSHA". Please indicate IOSHA's Inspection Number (indicated above) on the remittance.

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

Corrective action, taken by you for each alleged violation should be submitted to this office on or about the abatement dates indicated on the Safety Order and Notification of Penalty.

A work sheet has been provided to assist in providing the required abatement information. A completed copy of this work sheet should be posted at the worksite with the safety order(s).

  
 \_\_\_\_\_ Date 7-27-12  
 Robert A. Kattau  
 Director, Industrial Compliance