SETTLEMENT AGREEMENT

The Commissioner of Labor (hereinafter referred to as “Commissioner”) and Patheek Truck Equipment Company, (hereinafter referred to as “Employer”) hereby agree as follows:

The Commissioner amends the Safety Order(s) and Notification(s) of Penalty, IOSHA Inspection No. 315650382 issued to the Employer on August 20, 2012 in the following manner.

SAFETY ORDER 01:

<table>
<thead>
<tr>
<th>Item</th>
<th>Decision</th>
<th>Grouping</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Upheld</td>
<td>SO 1-2</td>
<td>1,750.00</td>
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<tr>
<td>2</td>
<td>Upheld</td>
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<td>Penalty deleted</td>
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<tr>
<td></td>
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<td>Abatement extended to 10/31/12</td>
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<tr>
<td>3</td>
<td>Upheld</td>
<td></td>
<td>Penalty reduced 1,250.00</td>
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<tr>
<td>4</td>
<td>Upheld</td>
<td>SO 1-5a, 5b, 6, 7</td>
<td>Penalty 2,500.00</td>
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<td>5a</td>
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<tr>
<td>5b</td>
<td>Upheld</td>
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<td>Penalty deleted</td>
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<td>6</td>
<td>Upheld</td>
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<td>Penalty deleted</td>
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<td>7</td>
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<tr>
<td>8</td>
<td>Upheld</td>
<td>SO 1-9, 10, 11, 12</td>
<td>Penalty 5,000.00</td>
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<tr>
<td>9</td>
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<td>Penalty 1,000.00</td>
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<td>15</td>
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<td>SO 1-16</td>
<td>Penalty 2,500.00</td>
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<td>16</td>
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</table>
Item 17a: Upheld, Grouped with SO 1-17b, 18a, 18b Penalty 2,500.00
Item 17b: Upheld Abatement extended to 10/31/12 Penalty deleted
Item 18a: Upheld Penalty deleted
Item 18b: Upheld Penalty deleted

In addition to the above specified amendments, the employer further agrees to send two members of management to OSHA 10 Hour General Industry training by October 31, 2012.

Except for the above specified amendments all other provisions of Safety Orders for Inspection No. 315650382 are retained intact.

The TOTAL AGREED PENALTY is $ 16,500.00

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 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.
Palfleet Truck Equipment Company

By: D. Dingel
Title: General Mgr.
Date: 8/30/12

COMMISSIONER OF LABOR

By: [Signature]
Title: [Signature]
Date: 5/30/12
Safety Order and Notification of Penalty

To:

Palfleet Truck Equipment Company, and its successors
2770 Bluff Road
Indianapolis, IN 46225

Inspection Site:
2770 Bluff Road
Indianapolis, IN 46225

Inspection Number: 315650382
Inspection Date(s): 03/30/2012 - 06/27/2012
Issuance Date: 08/20/2012

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 08/20/2012. 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

Safety Order and Notification of Penalty

Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Inspection Number: 315650382
Inspection Dates: 03/30/2012 - 06/27/2012
Issuance Date: 08/20/2012

Safety Order 1 Item 1 Type of Violation: Serious

IC 22-8-1.1, Section 2: The employer did not establish and maintain conditions of work which were reasonably safe and healthful for employees, and free from recognized hazards that were causing or likely to cause death or serious physical harm to employees in that employees were exposed to fire hazards that could result in death, burns, and smoke inhalation.

a) Spray Tech Spray Room - An employee who performed spraying operations up to sixteen (16) hours per week using flammable paint products such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Etch Prime-Gray was exposed to fire hazards from flammable or combustible vapors and/or residues due to no fire suppression system installed within the spray room.

AMONG OTHER METHODS, FEASIBLE AND ACCEPTABLE MEANS OF ABATEMENT MAY INCLUDE: ensure the installation and use of a spray room according to NFPA 33 Standard for Spray Application Using Flammable or Combustible Materials and 29 CFR 1910.107 to include associated fire suppression techniques.

b) DeVilbiss Spray Room - An employee who performed spraying operations up to five (5) hours per week using flammable paint products such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Etch Prime-Gray was exposed to fire hazards from flammable or combustible vapors and/or residues due to no fire suppression system installed within the spray room.

AMONG OTHER METHODS, FEASIBLE AND ACCEPTABLE MEANS OF ABATEMENT MAY INCLUDE: ensure the installation and use of a spray room according to NFPA 33 Standard for Spray Application Using Flammable or Combustible Materials and 29 CFR 1910.107 to include associated fire suppression techniques.

Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,750.00
Indiana Department of Labor

Indiana Occupational Safety and Health Administration

Safety Order and Notification of Penalty

Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Inspection Number: 315650382
Inspection Dates: 03/30/2012 - 06/27/2012
Issuance Date: 08/20/2012

Safety Order 1 Item 2 Type of Violation: Serious

IC 22-8-1.1, Section 2: The employer did not establish and maintain conditions of work which were reasonably safe and healthful for employees, and free from recognized hazards that were causing or likely to cause death or serious physical harm to employees in that employees were exposed to fire hazards that could result in death, burns, and smoke inhalation.

DeVilbiss Spray Room - An employee who performed spraying operations up to five (5) hours per week using flammable paint products such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Eich Prime-Gray was exposed to fire hazards from flammable or combustible vapors and/or residues due to the overspray collection filter not monitored with visible gauges, audible alarms, interlocks, or effective inspection procedures to ensure adequate air flow.


Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,750.00
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 1910.106(d)(3)(ii): Flammable and combustible liquid storage cabinet(s) were not labeled in conspicuous lettering, "Flammable– Keep Fire Away":

a) Mixing Area- The west flammable storage cabinet, with one (1) interior shelf, along the north wall of the west end of the DeVillbis spray room, containing flammable liquids such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Etch Prime-Gray, were not labeled to indicate use as flammable storage. An employee performed spraying operations up to sixteen (16) hours weekly.

b) Mixing Area - The east flammable storage cabinet, with four (4) interior shelves, along the north wall of the west end of the DeVillbis spray room, containing flammable liquids such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Etch Prime-Gray, were not labeled to indicate use as flammable storage. An employee performed spraying operations up to sixteen (16) hours weekly in this area.

**Date By Which Violation Must be Abated:** 09/14/2012

**Proposed Penalty:** $1,750.00
Indiana Department of Labor
Indiana Occupational Safety and Health Administration

Safety Order and Notification of Penalty

Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Inspection Number: 315650382
Inspection Dates: 03/30/2012 - 06/27/2012
Issuance Date: 08/20/2012

Safety Order 1 Item 3b Type of Violation: Serious

29 CFR 1910.106(d)(3)(ii)[a]: Flammable storage metal cabinets constructed in the following manner shall be deemed to be in compliance. The bottom, top, door, and sides of cabinet shall be at least No. 18 gage sheet iron and double walled with 1 1/2-inch air space. Joints shall be riveted, welded or made tight by some equally effective means. The door shall be provided with a three point lock, and the door sill shall be raised at least 2 inches above the bottom of the cabinet:

Mixing Area - The west flammable storage cabinet, containing one (1) shelf, along the north wall of the west end of the De Villbis spray room, containing flammable liquids such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Etch Prime-Gray, had a broken three (3) point latch inhibiting the closure of the doors creating an effective fire barrier. An employee performed spraying operations up to sixteen (16) hours weekly in this area.

Date By Which Violation Must be Abated: 09/14/2012

Safety Order 1 Item 4 Type of Violation: Serious

29 CFR 1910.107(c)(6): Electrical wiring and equipment not subject to deposits of combustible residues but located within spraying area(s) was not the explosion proof type approved for Class I, Group D, locations conforming to the provisions of Class I Division I, hazardous locations:

Spray Area- The General Electric A-C motor (model #5KCR49WG51AX, 110V) that operated the air compressor for supplied air was not of the type approved for Class 1 Division 2 areas such as that located within 3’ of the spray room door opening where an employee performed spraying operations up to five (5) hours per week using flammable paint products such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Etch Prime-Gray.

Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,750.00
Indiana Department of Labor
Indiana Occupational Safety and Health Administration

Safety Order and Notification of Penalty
Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Inspection Number: 315650382
Inspection Dates: 03/30/2012 - 06/27/2012
Issuance Date: 08/20/2012

Safety Order 1 Item 5 Type of Violation: Serious

29 CFR 1910.107(g)(2): Spraying area(s) were not kept free from the accumulation of deposits of combustible residues:

a) Spray-Tech Spray Room - The walls and floor of the spray room had deposits of flammable and/or combustible overspray residues as the result of an employee who performed spraying operations up to sixteen (16) hours weekly with products such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Etch Prime-Gray.

b) DeVilbiss Spray Room - The walls and floor of the spray room had deposits of flammable and/or combustible overspray residues as the result of an employee who performed spraying operations up to five (5) hours weekly with products such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Etch Prime-Gray.

Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,750.00

Safety Order 1 Item 6 Type of Violation: Serious

29 CFR 1910.107(g)(3): Approved metal waste cans were not provided in spraying area(s) for rags or waste impregnated with finishing material:

Mixing Area - Rags used for painting preparation and cleaning operations containing flammable liquids, such as but not limited to Sher-Will Clean® Wax and Grease Remover and Safety-Kleen Heavy Duty Lacquer Thinner 6782 were stored in an open top plastic trash can in the mixing room. An employee performed spraying operations with flammable and/or combustible liquids up to sixteen (16) hours weekly in this area.

Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,750.00
Indiana Department of Labor

Indiana Occupational Safety and Health Administration

Safety Order and Notification of Penalty

Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Inspection Number: 315650382
Inspection Dates: 03/30/2012 - 06/27/2012
Issuance Date: 08/20/2012

Safety Order 1 Item 7 Type of Violation: Serious

29 CFR 1910.107(g)(4): Spray finishing employee(s) clothing was not kept in metal lockers when left on the premises overnight:

Mixing Area - Shoot suits, solvent/paint proof coveralls, were stored on hooks in the spray area. The suits were used by employees up to sixteen (16) hours weekly for painting operations with flammable and combustible materials such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage and PPG SXA 1031 Etch Prime-Gray.

Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,750.00

Safety Order 1 Item 8 Type of Violation: Serious

29 CFR 1910.134(e)(1): The employer did not provide a medical evaluation to determine the employee's ability to use a respirator, before the employee was fit tested or required to use the respirator in the workplace:

Spray Room - No respirator use medical evaluations were conducted for employees required to wear on a regular and routine basis 3M 5000 series dual cartridge half mask air purifying respirators (organic vapor with P95 cartridges) and a Sperian 981200 continuous flow supplied air respirator. Employees performed spraying operations with flammable and/or combustible liquids up to sixteen (16) hours weekly with products such as but not limited to, PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage, PPG SXA 1031 Etch Prime-Gray and Ultimate Linings, QL-CT-310 Side A (Qwik Liner).

Date By Which Violation Must be Abated: Corrected During Inspection
Proposed Penalty: $3,500.00

Safety Order and Notification of Penalty
Safety Order 1 Item 9  Type of Violation:  Serious

29 CFR 1910.134(f)(2):  Employee(s) using tight-fitting facepiece respirators were not fit tested prior to initial use of the respirator, whenever a different respirator facepiece (size, style, model or make) was used, and at least annually thereafter:

Spray Room - No fit tests were conducted for employees required to wear respirators such as but not limited to 3M 5000 series dual cartridge half mask air purifying respirators (organic vapor with P95 cartridges) and a Sperian 981200 continuous flow air supplied respirator on a regular and routine basis for spraying operations with flammable and/or combustible liquids up to sixteen (16) hours weekly with products such as but not limited to, PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage, PPG SXA 1031 Etch Prime-Gray and Ultimate Linings, QL-CT-310 Side A (Qwik Liner).

Date By Which Violation Must be Abated:  Corrected During Inspection
Proposed Penalty:  $3,500.00

Safety Order 1 Item 10  Type of Violation:  Serious

29 CFR 1910.134(g)(1)(ii):  Corrective glasses or other personal protective equipment are not worn in a manner that ensures such equipment does not interfere with the seal of the facepiece to the face of the user:

Spray Room - Corrective glasses prevented a tight seal of the facepiece for the user of the Sperian 981200 continuous flow supplied air respirator worn on a regular and routine basis during spraying operations with flammable and/or combustible liquids up to sixteen (16) hours weekly with products such as but not limited to, PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage, PPG SXA 1031 Etch Prime-Gray and Ultimate Linings, QL-CT-310 Side A (Qwik Liner).

Date By Which Violation Must be Abated:  09/14/2012
Proposed Penalty:  $3,500.00
Indiana Department of Labor
Indiana Occupational Safety and Health Administration

Safety Order and Notification of Penalty
Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Inspection Number: 315650382
Inspection Dates: 03/30/2012 - 06/27/2012
Issuance Date: 08/20/2012

Safety Order 1 Item 11 Type of Violation: Serious

29 CFR 1910.134(h)(2)(i): Respirators are not stored in a manner to protect them from damage, dust, sunlight, extreme temperatures, excessive moisture, damaging chemicals and in a manner to prevent deformation of the facepiece:

Spray Room- Respirators such as but not limited to 3M 5000 series dual cartridge half mask air purifying respirators (organic vapor with P95 cartridges) and Sperian 981200 continuous flow supplied air respirator were stored in a manner such as but not limited to interior side up in a contaminated environment, placed on work areas unprotected from damage and exposed to dust. Employees performed spraying operations with flammable and/or combustible liquids up to sixteen (16) hours weekly with products such as but not limited to, PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage, PPG SXA 1031 Etch Prime-Gray and Ultimate Linings, QL-CT-310 Side A (Qwik Liner).

Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,400.00

Safety Order 1 Item 12 Type of Violation: Serious

29 CFR 1910.134(i)(1)(ii): The employer did not ensure that compressed breathing air met the requirements for Grade D breathing air described in ANSI/Compressed Gas Administration Commodity Specification for Air, G-7.1-1989:

Paint Area- Compressed air supplied to the Sperian 981200 continuous flow supplied air respirator was not tested in accordance with the elements of 1910.134(i)(1)(ii)[A-E] for oxygen content of 19.5-23.5%, hydrocarbon (condensed) content of 5 milligrams per cubic meter of air or less, carbon monoxide content of 10 ppm or less, carbon dioxide content of 1,000 ppm or less, and lack of noticeable odor. An employee wearing the Sperian 981200 continuous flow supplied air respirator performed spraying operations with flammable and/or combustible liquids up to sixteen (16) hours weekly with products such as but not limited to, PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage, PPG SXA 1031 Etch Prime-Gray and Ultimate Linings, QL-CT-310 Side A (Qwik Liner).

Date By Which Violation Must be Abated: Corrected During Inspection
Proposed Penalty: $1,400.00
Indiana Department of Labor

Indiana Occupational Safety and Health Administration

Safety Order and Notification of Penalty

Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Inspection Number: 315650382
Inspection Dates: 03/30/2012 - 06/27/2012
Issuance Date: 08/20/2012

Safety Order 1 Item 13 Type of Violation: Serious

29 CFR 1910.134(i)(5)(iv): No tag maintained at the compressor containing the most recent sorbent bed and filter change date and the signature of the person authorized by the employer to perform the change:

Paint Area- The General Electric air compress used to supply air to the Sperian 981200 continuous flow supplied air respirator did not have a tag with a record of sorbent bed and filter changes maintained. An employee wearing the Sperian 981200 continuous flow supplied air respirator performed spraying operations with flammable and/or combustible liquids up to sixteen (16) hours weekly with products such as but not limited to, PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage, PPG SXA 1031 Etch Prime-Gray and Ultimate Linings, QL-CT-310 Side A (Qwik Liner).

Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,400.00
Indiana Department of Labor
Indiana Occupational Safety and Health Administration

Safety Order and Notification of Penalty
Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Inspection Number: 315650382
Inspection Dates: 03/30/2012 - 06/27/2012
Issuance Date: 08/20/2012

Safety Order 1 Item 14 Type of Violation: Serious

29 CFR 1910.134(k)(3): Training was not provided prior to requiring employees to use a respirator in the workplace:

Spray Room - No respiratory training and information program covering the elements of 1910.134(k)(1)(i-vii) was implemented for employees required to wear respirators such as but not limited to 3M 5000 series dual cartridge half mask air purifying respirators (organic vapor with P95 cartridges) and Sperian 981200 continuous flow supplied air respirator on a regular and routine basis. Employees performed spraying operations with flammable and/or combustible liquids up to sixteen (16) hours weekly with products such as but not limited to, PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSHs-3 HS Polyurethane Single Stage, PPG SXA 1031 Etch Prime-Gray and Ultimate Linings, QL-CT-310 Side A (Qwik Liner).

ABATEMENT NOTE: Each employee shall demonstrate knowledge of (i) Why the respirator is necessary and how improper fit, usage, or maintenance can compromise the protective effect; (ii) The limitations and capabilities of the respirator; (iii) Effective use of the respirator in emergency situations including a malfunction; (iv) Respirator inspection, donning, use, and seal checks; (v) Maintenance and storage procedures; (vi) Medical signs and symptoms that may limit or prevent the effective use of respirators; and (vii) The general requirements of this section.

Date By Which Violation Must be Abated: Corrected During Inspection
Proposed Penalty: $1,400.00

Safety Order 1 Item 15 Type of Violation: Serious

29 CFR 1910.303(b)(7)(i): Unused openings in electrical box were not effectively closed to afford protection substantially equivalent to the wall of the equipment:

Paint Area- Empty spaces for breakers were not closed in the 220 volt circuit breaker cabinet, exposing employees to the energized electrical parts contained therein when employees turn on and off the lights on a regular and routine basis.

Date By Which Violation Must be Abated: Corrected During Inspection
Proposed Penalty: $1,750.00
Indiana Department of Labor
Indiana Occupational Safety and Health Administration

Safety Order and Notification of Penalty
Company Name: Paifleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Safety Order 1 Item 16 Type of Violation: Serious

29 CFR 1910.305(b)(1)(i): Conductors entering boxes, cabinets, or fittings were not protected from abrasion:

Paint Area- Wires leading out of the General Electric air compressor, attached to the capacitor, were not protected from the sharp metal edges of the fitting, which can cause deterioration of the protective coating, thereby exposing employees to energized electrical wiring and/or parts.

Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,750.00
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 17a** Type of Violation: **Serious**

29 CFR 1910.1000(a)(1): Employee(s) were exposed to an airborne concentration of methylene bisphenyl isocyanate (MDI) listed in Table Z-1 in excess of 0.02 parts per million (ppm) as a Ceiling concentration:

Spray Room - A Sprayer/Installer spraying Ultimate Linings, QL-CT-310 Side A (Qwik Liner) was exposed to methylene bisphenyl isocyanate (MDI) at 0.0568 parts per million (ppm) for a 15-minute time weighted average (TWA), approximately 2.84 times the OSHA permissible exposure limit (PEL) of 0.02 ppm (Ceiling) and at 0.045 ppm for a 15-minute TWA, approximately 2.425 times the OSHA PEL of 0.02 ppm (Ceiling). The exposure limit was derived from a concurrent 10 minute sampling period on June 14, 2012. Zero exposure was assumed for 5 minutes not sampled. The employee sampled wore a 3M half mask respirator with OV cartridges, shoot suit, latex gloves, and safety glasses as personal protective equipment.

**Date By Which Violation Must be Abated:** 09/14/2012

**Proposed Penalty:** $3,500.00
Safety Order 1 Item 17b Type of Violation: Serious

29 CFR 1910.1000(e): Feasible administrative or engineering controls were not determined and implemented to achieve compliance with the limits prescribed in 29 CFR 1910.1000(a) through (d) of this section. When such controls are not feasible to achieve full compliance, protective equipment or any other protective measures shall be used to keep the exposure of employees to air contaminants within the limits prescribed in this section. Any equipment and/or technical measures used for this purpose must be approved for each particular use by a competent industrial hygienist or other technically qualified person. Whenever respirators are used, their use shall comply with §1910.134:

Spray Room - A Sprayer/Installer spraying Ultimate Linings, QL-CT-310 Side A (Qwik Liner) was exposed to methylene bisphenyl isocyanate (MDI) at 0.0568 parts per million (ppm) for a 15-minute time weighted average (TWA), approximately 2.84 times the OSHA permissible exposure limit (PEL) of 0.02 ppm (Ceiling) and at 0.045 ppm for a 15-minute TWA, approximately 2.425 times the OSHA PEL of 0.02 ppm (Ceiling). The exposure limit was derived from a concurrent 10 minute sampling period on June 14, 2012. Zero exposure was assumed for 5 minutes not sampled. The employee sampled wore a 3M half mask respirator with OV cartridges, shoot suit, latex gloves, and safety glasses as personal protective equipment.

Date By Which Violation Must be Abated: 09/14/2012
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 18a  Type of Violation:  Serious

29 CFR 1910.1200(e)(1)(i): The written hazard communication program did not include a list of the hazardous chemicals known to be present using an identity that was referenced on the appropriate material safety data sheet: Mixing Area - No list of hazardous chemicals was found in the hazard communication program for employees who used products on a regular and routine basis such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage, PPG SXA 1031 Etch Prime-Gray and Ultimate Linings, QL-CT-310 Side A (Qwik Liner) up to 16 hours per week in coating application operations.

Date By Which Violation Must be Abated: 09/14/2012
Proposed Penalty: $1,750.00
Safety Order and Notification of Penalty

Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225

Safety Order 1 Item 18b Type of Violation: Serious

29 CFR 1910.1200(h)(1): The employer shall provide employees with effective information and training on hazardous chemicals in their work area at the time of their initial assignment, and whenever a new physical or health hazard the employees have not previously been trained about is introduced into their work area. Information and training may be designed to cover categories of hazards (e.g., flammability, carcinogenicity) or specific chemicals. Chemical-specific information must always be available through labels and material safety data sheets:

Paint Area - No training on hazardous chemicals was performed as part of the hazard communication program for employees who used products on a regular and routine basis products such as but not limited to PPG HBE-403 High Build Epoxy Primer Activator-Black, PPG HBE-401 High Build Epoxy Catalyst-White, PPG High Build Epoxy Primer Dark Grey, PPG ESSS-3 HS Polyurethane Single Stage, PPG SXA 1031 Etch Prime-Gray and Ultimate Linings, QL-CT-310 Side A (Qwik Liner) up to 16 hours per week in coating application operations.

Training was to include the requirements of this section, operations in employees work areas where hazardous chemicals are present; the location and availability of the written hazard communication program including the required list of hazardous chemicals and material safety data sheets required by this section; methods and observations that may be used to detect the presence or release of a hazardous chemical in the workplace; physical and health hazards of the chemicals in the work area; measures employees can take to protect themselves from these hazards including work practices, emergency procedures, and personal protective equipment; and details of the hazardous communication program developed by the employer, including an explanation of the labeling system and the material safety data sheet, and how employees can obtain and use the appropriate hazard information.

Date By Which Violation Must Be Abated: 09/14/2012

Jeffry S. Carter
Deputy Commissioner of Labor/IOSHA
INVOICE/DEBT COLLECTION NOTICE

Company Name: Palfleet Truck Equipment Company
Inspection Site: 2770 Bluff Road, Indianapolis, IN 46225
Issuance Date: 08/20/2012

Summary of Penalties for Inspection Number 315650382

Safety Order 01, Serious = $37,100.00
Total Proposed Penalties $37,100.00

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).

Jeffry S. Carter
Deputy Commissioner of Labor/IOSHA

Date 08/20/12