UNITED STATES DISTRICT COURT EASTERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,		
	Civil Action No.	
Plaintiff,	_{CV-} 22-14	
- against –		SETTI EMENT
SYG REALTIES, L.L.C., ALL YEAR	STIPULATION AND AGREEMENT	SETTLEMENT
MANAGEMENT NY, INC. and ALL YEAR		
MANAGEMENT, L.L.C.,		
Defendants.		

WHEREAS, Plaintiff United States of America, on behalf of the United States Environmental Protection Agency ("EPA"), filed a complaint in this action concurrently with the lodging of this Stipulation and Settlement Agreement ("Stipulation"), which alleges, *inter alia*, that SYG Realties, L.L.C. ("SYG"), All Year Management NY, Inc., and All Year Management, L.L.C. (collectively, "Defendants"), violated Sections 402(c), 406(b), 407 and 409 of Title IV of the Toxic Substances Control Act ("TSCA"), 15 U.S.C. §§ 2682(c), 2686(b) & 2687, and the regulations promulgated thereunder, codified at 40 C.F.R. Part 745, Subpart E ("Residential Property Renovation Rule" or "RRP Rule");

WHEREAS, Defendants assert that their businesses are no longer operating, and therefore Defendants no longer manage and are no longer renovating properties as regulated by the RRP Rule.

WHEREAS, Defendants do not admit any liability to the United States arising out of the transactions or occurrences alleged in the Complaint.

WHEREAS, the United States has reviewed Financial Information provided by Defendants, and based on Defendants' representations, has determined that Defendants are unable

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to pay a civil penalty in this matter. "Financial Information" as used in this paragraph means the profit and loss statements and all other financial statements and information that Defendants and/or their agent(s) submitted to the United States prior to the date of the execution of this Stipulation.

WHEREAS, the United States and Defendants (the "Parties") agree that settlement of the United States' claims against Defendants, without further litigation, is in the public interest.

WHEREAS, the Parties further agree that the Court's approval of this Stipulation is an appropriate means of resolving the claims in this action.

NOW THEREFORE, before the taking of any testimony, without adjudication or admission of any issue of fact or law, except as provided in Paragraph 1, below, as the Parties agree as follows:

- This Court has jurisdiction over the Parties and the subject matter of this litigation pursuant to 28 U.S.C. §§ 1331 and 1345 and Section 17 of TSCA, 15 U.S.C. § 2616. Venue is proper in the Eastern District of New York pursuant to 15 U.S.C. § 2616(a)(2) and 28 U.S.C. §§ 1391(b) and (c) and 1395(a) because the events giving rise to the claims in the Complaint arose in this district and because Defendants reside and have had their principal place of business in this district. Defendants waive any and all objections they may have to the Court's jurisdiction for purposes of this Stipulation, this Stipulation is binding upon the United States and upon Defendants and their successors.
- The effective date of this Stipulation ("Effective Date") is the date upon which the Court's Order approving this Stipulation is entered in the Court's docket.

3. Certifications.

a. Defendants hereby certify, to the best of their knowledge and belief, after thorough inquiry, (a) that they have submitted to the United States Financial Information that

fairly, accurately, and materially sets forth their financial circumstances; (b) that those circumstances have not materially changed by the date that Defendants sign this Stipulation; (c) that they do not have any insurance policies that may cover any payment of a civil penalty relating to this matter.

- b. <u>Operations Certification</u>. Each Defendant certifies that it is no longer managing and/or renovating properties regulated by the RRP Rule as of the date each Defendant signed this Stipulation.
- 4. Future Renovation at Properties Covered by the TSCA and RRP Rule. Defendants shall notify the United States at least six months before performing any renovation or demolition work regulated by the RRP Rule, for the purpose of negotiating a compliance plan to be made enforceable through an amendment to this Stipulation that has been approved by the Court.
- 5. During the period from the Effective Date until the termination of this Stipulation, Defendants shall not perform any renovation or demolition work regulated by the RRP Rule unless Defendants agree to be covered by a compliance plan that is made enforceable through an amendment to this Stipulation that has been approved by the Court.
- If the United States brings an action to enforce this Stipulation, Defendants shall reimburse the United States for all costs of such action, including but not limited to costs of attorney time.
- 7. For each failure to comply with the requirements of Paragraph 5, Defendants shall pay a stipulated penalty in the amount of \$10,000 per occurrence.
- 8. Notice. Whenever, under the terms of this Stipulation, notice is required to be given or a document is required to be sent by one party to another, it shall be directed to the

individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing. Written notice as specified in this Paragraph shall constitute complete satisfaction of any written notice requirement of the Stipulation with respect to the United States, EPA, DOJ and Defendants, respectively:

As to the United States:	Attn: Shana C. Priore United States Attorney's Office Eastern District of New York 271-A Cadman Plaza East Brooklyn, New York 11201 <u>shana.c.priore@usdoj.gov</u>
	Rudolph Perez Office of Regional Counsel U.S. Environmental Protection Agency, Region 2 Waste and Toxic Substances Branch, 16 th Floor 290 Broadway New York, New York 10007 perez.rudolph@epa.gov
	Amos Presler Office of Enforcement and Compliance Assurance U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, N.W. (MC 2249A) Washington, DC 20460 presler.amos@epa.gov
As to Defendants:	Alan Vinegrad, Esq. Covington & Burling LLP 620 Eighth Avenue New York, New York 10018 (212) 841-1022 <u>avinegrad@cov.com</u>
	Israel David Friedman 199 Lee Avenue # 693 Brooklyn, N.Y. 11211 <u>david@allyearmgt.com</u> <u>leah@allyearmgt.com</u>

9. This Stipulation resolves the civil claims of the United States for the violations alleged in the Complaint, through the date of lodging of this Stipulation.

- 10. Upon entry of this Stipulation by the Court, this Stipulation constitutes a final judgment under Fed. R. Civ. P. 54 and 58 among the Parties.
- 11. The United States reserves, and this Stipulation is without prejudice to, all rights against Defendants with respect to all other matters not asserted by the United States in the Complaint, including, but not limited to, any criminal liability.
- 12. Notwithstanding any other provision of this Stipulation, the United States reserves, and this Stipulation is without prejudice to, the right to reinstitute or reopen this action, or to commence a new action seeking relief other than as provided in this Stipulation, if the Financial Information provided, or the financial certification made in Paragraph 3, is materially false or inaccurate.
- 13. The obligations under this Stipulation may be terminated at any time after five years from the Effective Date if the United States determines that Defendants have no noncompliances with requirements of this Stipulation. At any time after five years from the Effective Date, Defendants may send a certification to the United States stating that these requirements have been fulfilled and requesting termination of its obligations. If the United States agrees, it shall issue a certification, reciting that the requirements of the Stipulation have been met and notifying Defendants of the termination of their obligations under the Stipulation. Disputes regarding whether the obligations under the Stipulation may be terminated may be resolved by the Court.
- 14. This Stipulation shall be lodged with the Court for a period of not less than 30 days for public notice and comment in accordance with 28 C.F.R. § 50.7. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Stipulation

disclose facts or considerations indicating that the Stipulation is inappropriate, improper, or inadequate.

- 15. Each party shall bear its own costs and attorneys' fees in this matter.
- 16. This Stipulation constitutes the entire agreement among the Parties regarding the subject matter of the Stipulation and supersedes all prior representations, agreements, and understandings, whether oral or written, regarding the subject matter of the Stipulation.
- 17. Israel David Friedman, as an authorized signatory of Defendants, and the United States Attorney, on behalf of the United States of America, each certify that he or she is fully authorized to enter into the terms and conditions of this Stipulation and to execute and legally bind Defendants and the United States, respectively, to it.

FOR THE UNITED STATES OF AMERICA:

TODD KIM Assistant Attorney General U.S. Department of Justice Environment and Natural Resources Division

BREON PEACE United States Attorney Eastern District of New York

SHANA Digitally signed by SHANA PRIORE Date: 2022.01.03 09:45:52 -05'00'

Dated

SHANA C. PRIORE Assistant U.S. Attorney U.S. Attorney's Office Eastern District of New York 271-A Cadman Plaza East, 7th floor Brooklyn, New York 11201

FOR THE U.S. ENVIRONMENTAL PROTECTION AGENCY:

Schaaf, Eric Date: 2021.12.24 11:51:13 -05'00'

ERIC SCHAAF Regional Counsel U.S. Environmental Protection Agency Region 2, 290 Broadway New York, New York 10007

RUDOLPH PEREZ Assistant Regional Counsel U.S. Environmental Protection Agency Region 2, 290 Broadway New York, New York 10007

FOR DEFENDANTS, SYG REALTIES, L.L.C., ALL YEAR MANAGEMENT NY, INC. and ALL YEAR MANAGEMENT, L.L.C.:

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<u>11/22/21</u> Dated

ISRAEL DAVID FRIEDMAN All Year Management, NY, Inc. All Year Management, L.L.C. SYG Realties, L.L.C.