

State of California
Division of Occupational Safety and Health
Cal/OSHA Santa Ana District (0950631:4031)
2000 East McFadden Avenue, Suite 122
Santa Ana, CA 92705
Phone: Fax: (714) 558-2035



Citation and Notification of Penalty

To:
AMERICAN APPAREL (USA), LLC

and its successors
747 WAREHOUSE ST
LOS ANGELES, CA 90021

Inspection Site:
12691 PAULA DRIVE
GARDEN GROVE, CA 92841

Inspection Number: 315525634
Inspection Date(s): 08/19/2011 - 02/15/2012

Issuance Date: 02/16/2012
CSHO ID: A9562
Optional Report #: 010-12
Reporting ID: 0950631

The violation(s) described in this Citation 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.

This Citation and Notification of Penalty (hereinafter Citation) is being issued in accordance with California Labor Code Section 6317 for violations that were found during the inspection/investigation. **This Citation or a copy must be prominently posted upon receipt by the employer at or near the location of each violation until the violative condition is corrected or for three working days, whichever is longer.** Violations of Title 8 of the California Code of Regulations or of the California Labor Code may result in some instances in prosecution for a misdemeanor.

YOU HAVE A RIGHT to contest this Citation and Notification of Penalty by filing an appeal with the Occupational Safety and Health Appeals Board. To initiate your appeal, you **must** contact the Appeals Board, in writing or by telephone, within 15 working days from the date of receipt of this Citation. If you miss the 15 working day deadline to appeal, the Citation and Notification of Penalty becomes a final order of the Appeals Board, not subject to review by any court or agency.

Informal Conference - You may request an informal conference with the Manager of the District Office which issued the Citation within 10 working days after receipt of the Citation. However, if the citation is appealed, you may request an informal conference at any time prior to the day of the hearing. Employers are encouraged to schedule a conference at the earliest possible time to assure an expeditious resolution of any issues. At the informal conference, you may discuss the existence of the alleged violation, classification of the violation, abatement date or proposed penalty.

Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an agreement which resolves this matter without litigation or contest.

APPEAL RIGHTS

The Occupational Safety and Health Appeals Board (Appeals Board) consists of three members appointed by the Governor. The Appeals Board is a separate entity from the Division of Occupational Safety and Health (Division) and employs experienced attorneys as administrative law judges to hear appeals fairly and impartially. To initiate an appeal from a Citation and Notification of Penalty, you must contact the Appeals Board, in writing or by telephone, within 15 working days from the date of receipt of a Citation. After you have initiated your appeal, you must then file a completed appeal form with the Appeals Board, at the address listed below, for each contested citation. Failure to file a completed appeal form with the Appeals Board may result in dismissal of the appeal. Appeal forms are available from district offices of the Division, or from the Appeals Board:

Occupational Safety and Health Appeals Board

2520 Venture Oaks Way, Suite 300

Sacramento, CA 95833

Telephone: (916) 274-5751

If the Citation you are appealing alleges more than one item, you must specify on the appeal form which items you are appealing. You must also attach to the appeal form a legible copy of the Citation you are appealing. In addition, please send a copy of Page 1 of this Citation and Notification of Penalty, the cover sheet.

Among the specific grounds for an appeal are the following: the safety order was not violated, the classification of the alleged violation (e.g., serious, repeat, willful) is incorrect, the abatement requirements are unreasonable or the proposed penalty is unreasonable.

Important: You must notify the Appeals Board, not the Division, of your intent to appeal within 15 working days from the date of receipt of the Citation. Otherwise, the Citation and Notification of Penalty becomes a final order of the Appeals Board not subject to review by any court or agency. An informal conference with the Division does not constitute an appeal and does not stay the 15 working day appeal period. If you have any questions concerning your appeal rights, call the Appeals Board, (916) 274-5751.

PENALTY PAYMENT OPTIONS

Penalties are due within 15 working days of receipt of this Citation and Notification of Penalty unless contested. If you are appealing any item of the citation, remittance is still due on all items that are not appealed. Enclosed for your use is a Penalty Remittance Form for payment.

If you are paying electronically, please have the Penalty Remittance Form on hand when you are ready to make you payment. The company name, index code, reporting ID, and Citation number(s) will be required in order to ensure that the payment is accurately posted to your account. Please go to www.dir.ca.gov/dos to access the secure payment processing site.

If you are paying by check, return one copy of the Citation, along with the Notice of Proposed Penalties Sheet and the Penalty Remittance Form and mail to:

Department of Industrial Relations

Cashier, Accounting Office

P. O. Box 420603

San Francisco, CA 94142-0603

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

NOTIFICATION OF CORRECTIVE ACTION

For violations which you do not contest, you should notify the Division of Occupational Safety and Health promptly by letter that you have taken appropriate corrective action within the time frame set forth on this Citation and Notification of Penalty. Please inform the District Office listed on the Citation by submitting the CAL/OSHA 160 and/or 161 with the abatement steps you have taken and the date the violation was abated, together with adequate supporting documentation, e.g., drawings or photographs of corrected conditions, purchase/work orders related to abatement actions, air sampling results, etc. The adjusted penalty for serious and general violations is reduced by 50% on the presumption that the employer will correct the violations by the abatement date. **If the CAL/OSHA 161 is not received in the District Office within 10 days following the abatement date, the abatement credit is revoked, causing the penalty to double.**

Note: Return the CAL/OSHA 160/161 to the District Office listed on the Citation and as shown below:

Division of Occupational Safety and Health
Cal/OSHA Santa Ana District
2000 East McFadden Avenue, Suite 122
Santa Ana, CA 92705
Phone: (714) 558-4451 Fax: (714) 558-2035

EMPLOYEE RIGHTS

Employer Discrimination Unlawful - The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under Labor Code Section 6310 or 6311. An employee who believes that he/she has been discriminated against may file a complaint no later than six (6) months after the discrimination occurred with the Division of Labor Standards Enforcement.

Employee Appeals - An employee or authorized employee's representative may, within 15 working days of the issuance of a citation, special order, or order to take special action, appeal to the Occupational Safety and Health Appeals Board the reasonableness of the period of time fixed by the Division of Occupational Safety and Health (Division) for abatement. An employee appeal may be filed with the Appeals Board or with the Division. No particular format is necessary to initiate the appeal, but the notice of appeal must be in writing.

If an Employee Appeal is filed with the Division, the Division shall note on the face of the document the date of receipt, include any envelope or other proof of the date of mailing, and promptly transmit the document to the Appeals Board. The Division shall, no later than 10 working days from receipt of the Employee Appeal, file with the Appeals Board and serve on each party a clear and concise statement of the reasons why the abatement period prescribed by it is reasonable.

Employee Appeal Forms are available from the Appeals Board, or from a District Office of the Division.

Employees Participation in Informal Conference. Affected employees or their representatives may notify the District Manager that they wish to attend the informal conference. If the employer objects, a separate informal conference will be held.

DISABILITY ACCOMMODATION

Disability accommodation is available upon request. Any person with a disability requiring an accommodation, auxiliary aid or service, or a modification of policies or procedures to ensure effective communication and access to the programs of the Division of Occupational Safety and Health, should contact the Disability Accommodation Coordinator at the local district office or the Statewide Disability Accommodation Coordinator at 1-866-326-1616 (toll free). The Statewide Coordinator can also be reached through the California Relay Service, by dialing 711 or 1-800-735-2929 (TTY) or 1-800-855-3000 (TTY-Spanish).

Accommodations can include modifications of policies or procedures or provision of auxiliary aids or services. Accommodations include, but are not limited to, an Assistive Listening System (ALS), a Computer-Aided Transcription System or Communication Access Realtime Translation (CART), a sign-language interpreter, documents in Braille, large print or on computer disk, and audio cassette recording. Accommodation requests should be made as soon as possible. Requests for an ALS or CART should be made no later than five (5) days before the hearing or conference.

State of California

Division of Occupational Safety and Health
Cal/OSHA Santa Ana District (0950631; 4031)
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Inspection Dates: 08/19/2011 - 02/15/2012
Issuance Date: 02/16/2012
CSHO ID: A9562
Optional Inspection Nbr: 010-12



Citation and Notification of Penalty

Company Name: AMERICAN APPAREL (USA), LLC
Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

Citation 1 Item 1 Type of Violation: **General**

California Code of Regulations, Title 8, 3203. Injury and Illness Prevention Program

(a) Effective July 1, 1991, every employer shall establish, implement and maintain an effective Injury and Illness Prevention Program (Program). The Program shall be in writing and, shall, at a minimum:

(5) Include a procedure to investigate occupational injury or occupational illness.

(7) Provide training and instruction:

(A) When the program is first established;

(B) To all new employees;

(C) To all employees given new job assignments for which training has not previously been received;

(D) Whenever new substances, processes, procedures or equipment are introduced to the workplace and represent a new hazard;

(E) Whenever the employer is made aware of a new or previously unrecognized hazard; and,

(F) For supervisors to familiarize themselves with the safety and health hazards to which employees under their immediate direction and control may be exposed.

(b) Records of the steps taken to implement and maintain the Program shall include:

(2) Documentation of safety and health training required by subsection (a)(7) for each employee, including employee name or other identifier, training dates, type(s) of training, and training providers. This documentation shall be maintained for at least one (1) year.

The employer failed to implement and maintain an effective Injury and Illness Prevention Program, in that, the employer did not follow their written procedures to investigate

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

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Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

occupational injuries, nor did they follow their written procedures for conducting weekly safety training and further, record these events and place them in the employee's files as outlined in their Injury and Illness Prevention Program.

Date By Which Violation Must be Abated: ABATED
Proposed Penalty: \$ 675.00

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State of California

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Citation and Notification of Penalty

Company Name: AMERICAN APPAREL (USA), LLC
Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

Citation 1 Item 2 Type of Violation: General

California Code of Regulations, Title 8, 2340.16. Work Space About Electric Equipment.

(b) Work Space. Working space for equipment likely to require examination, adjustment, servicing, or maintenance while energized shall comply with the following dimensions, except as required or permitted elsewhere in these Orders.

(1) Depth. The depth of the working space in the direction of access to live parts shall not be less than indicated in Table 2340.16 unless permitted elsewhere in these orders.

Distances shall be measured from the live parts if they are exposed or from the enclosure front or opening if they are enclosed.

(2) Width. In addition to the dimensions of depth shown in Table 2340.16, the width of the workspace in front of the electric equipment shall not be less than the width of the equipment or 30 inches, whichever is greater.

In all cases, the workspace shall be adequate to permit at least a 90 degree opening of equipment doors or hinged panels.

(3) Height. The work space shall be clear and extend from the grade, floor, or platform to the height required by subsection (f) of this section. However, other equipment associated with the electrical installation and located above or below the electric equipment may extend not more than 6 in. (153 mm) beyond the front of the electric equipment.

On and prior to August 19, 2011, the employer failed to ensure the workspace around the electrical panel located in the warehouse area was clear and free from obstructions allowing the hinged door to open 90 degrees.

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Citation and Notification of Penalty

Company Name: AMERICAN APPAREL (USA), LLC
Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

Date By Which Violation Must be Abated:
Proposed Penalty:

ABATED
\$ 225.00

Citation 1 Item 3 Type of Violation: **General**

California Code of Regulations, Title 8, 2500.8. Uses Not Permitted.

- (a) Unless specifically permitted otherwise in Section 2500.7, flexible cords and cables shall not be used:
 - (1) as a substitute for the fixed wiring of a structure;
 - (4) where attached to building surfaces;

On and prior to August 19, 2011, the employer failed to ensure that flexible cords and cables were not used as a substitute for fixed wiring of a structure, or attached to building surfaces. Two flexible extension cords were observed by the Division attached and secured to the overhead structure and building surface energizing electrical equipment.

Date By Which Violation Must be Abated:
Proposed Penalty:

ABATED
\$ 225.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

State of California

Division of Occupational Safety and Health
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Company Name: AMERICAN APPAREL (USA), LLC
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Citation 1 Item 4 Type of Violation: **General**

California Code of Regulations, Title 8, 3225. Maintenance and Access to Exits.

(a) Exits shall be so located and arranged that they are readily accessible at all times. Where exits are not immediately accessible from an open floor area, safe and continuous passageways, aisles, or corridors leading directly to every exit and so arranged as to provide convenient access for each occupant to at least two exits by separate ways of travel shall be maintained, except as a single exit or limited dead ends are permitted by other provisions of these regulations.

(1) Every required exit shall be maintained free of all obstructions or impediments to full instant use in the case of fire or other emergency.

On and prior to August 19, 2011, the employer failed to ensure every required exit was maintained free of obstructions or impediments for employee use in the case of fire or other emergency.

Date By Which Violation Must be Abated: ABATED
Proposed Penalty: \$ 335.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

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Citation and Notification of Penalty

Company Name: AMERICAN APPAREL (USA), LLC
Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

Citation 1 Item 5 Type of Violation: **General**

California Code of Regulations, Title 8, 3314. The Control of Hazardous Energy for the Cleaning, Repairing, Servicing, Setting-Up, and Adjusting Operations of Prime Movers, Machinery and Equipment, Including Lockout/Tagout.

(g) Hazardous Energy Control Procedures. A hazardous energy control procedure shall be developed and utilized by the employer when employees are engaged in the cleaning, repairing, servicing, setting-up or adjusting of prime movers, machinery and equipment.

(2) The employer's hazardous energy control procedures shall be documented in writing.

(A) The employer's hazardous energy control procedure shall include separate procedural steps for the safe lockout/tagout of each machine or piece of equipment affected by the hazardous energy control procedure.

On and prior to August 19, 2011, the employer failed to ensure that separate procedural steps for the safe lockout/tagout of the circular weaving machines were developed and documented in writing. As a result, maintenance personnel did not properly lockout/tagout the circular knitting/weaving machine #19 on August 19, 2011, which resulted in the fatality of a circular weaving machine operator.

Date By Which Violation Must be Abated:
Proposed Penalty:

ABATED
\$ 1125.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

State of California

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Cal/OSHA Santa Ana District (0950631; 4031)
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CSHO ID: A9562
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Citation and Notification of Penalty

Company Name: AMERICAN APPAREL (USA), LLC
Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

Citation 1 Item 6 Type of Violation: **General**

California Code of Regulations, Title 8, 4184. Guarding Required.

(a) Machines as specifically covered hereafter in Group 8, having a grinding, shearing, punching, pressing, squeezing, drawing, cutting, rolling, mixing or similar action, in which an employee comes within the danger zone shall be guarded at the point of operation in one or a combination of the ways specified in the following orders, or by other means or methods which will provide equivalent protection for the employee.

(b) All machines or parts of machines, used in any industry or type of work not specifically covered in Group 8, which present similar hazards as the machines covered under these point of operation orders, shall be guarded at their point of operation as required by the regulations contained in Group 8.

On and prior to August 19, 2011, the employer failed to guard the circular knitting/weaving machines at their point of operation. As a result, employees work required them to be in the danger zone of the rolling and circular spinning action of the machine.

Date By Which Violation Must be Abated: ABATED
Proposed Penalty: \$ 1350.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

State of California
Division of Occupational Safety and Health
Cal/OSHA Santa Ana District (0950631; 4031)
2000 East McFadden Avenue, Suite 122
Santa Ana, CA 92705

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Issuance Date: 02/16/2012
CSHO ID: A9562
Optional Inspection Nbr: 010-12



Citation and Notification of Penalty

Company Name: AMERICAN APPAREL (USA), LLC
Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

Citation 1 Item 7 Type of Violation: **General**

California Code of Regulations, Title 8, 4475. Commercial Sewing Machines.

(a) The lower pulley nip points shall be guarded.

On and prior to August 19, 2011, the employer failed to properly guard the lower pulley nip points of two commercial sewing machines that employees use.

Date By Which Violation Must be Abated: ABATED
Proposed Penalty: \$ 1125.00

Citation 1 Item 8 Type of Violation: **General**

California Code of Regulations, Title 8, 6151. Portable Fire Extinguishers.

(c) General Requirements.

(1) The employer shall provide portable fire extinguishers and shall mount, locate and identify them so that they are readily accessible to employees without subjecting the employees to possible injury.

On and prior to August 19, 2011, the employer failed to identify two portable fire extinguishers, so that they were readily accessible to employees.

Date By Which Violation Must be Abated: ABATED
Proposed Penalty: \$ 225.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

State of California

Division of Occupational Safety and Health
Cal/OSHA Santa Ana District (0950631; 4031)
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CSHO ID: A9562
Optional Inspection Nbr: 010-12



Citation and Notification of Penalty

Company Name: AMERICAN APPAREL (USA), LLC
Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

Citation 2 Item 1 Type of Violation: Serious Accident Related

California Code of Regulations, Title 8, 3314. The Control of Hazardous Energy for the Cleaning, Repairing, Servicing, Setting-Up, and Adjusting Operations of Prime Movers, Machinery and Equipment, Including Lockout/Tagout.

(c) Cleaning, Servicing and Adjusting Operations.

Machinery or equipment capable of movement shall be stopped and the power source de-energized or disengaged, and, if necessary, the moveable parts shall be mechanically blocked or locked out to prevent inadvertent movement, or release of stored energy during cleaning, servicing and adjusting operations. Accident prevention signs or tags or both shall be placed on the controls of the power source of the machinery or equipment.

On and prior to August 19, 2011, the employer failed to ensure the circular knitting/weaving machine #19, located at the Garden Grove facility was properly de-energized with accident prevention signs or tags placed on the controls of the power source while it was being serviced and repaired. This resulted in the fatal injury to the operator when he attempted to remove fabric from inside the cage of the machine that inadvertently started.

Date By Which Violation Must be Abated: ABATED
Proposed Penalty: \$ 25000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

State of California

Division of Occupational Safety and Health
Cal/OSHA Santa Ana District (0950631; 4031)
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Citation and Notification of Penalty

Company Name: AMERICAN APPAREL (USA), LLC
Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

Citation 3 Item 1 Type of Violation: Willful Serious Accident Related

California Code of Regulations, Title 8, 3314. The Control of Hazardous Energy for the Cleaning, Repairing, Servicing, Setting-Up, and Adjusting Operations of Prime Movers, Machinery and Equipment, Including Lockout/Tagout.

(j) Training.

(1) Authorized employees shall be trained on hazardous energy control procedures and on the hazards related to performing activities required for cleaning, repairing, servicing, setting-up and adjusting prime movers, machinery and equipment.

(2) Each affected employee shall be instructed in the purpose and use of the energy control procedure.

(3) All other employees whose work operations may be in an area where energy control procedures may be utilized, shall be instructed about the prohibition relating to attempts to restart or reenergize machines or equipment which are locked out or tagged out.

(4) Such training shall be documented as required by Section 3203.

On and prior to August 19, 2011, the employer failed to train each affected employee and all other employees whose work is in the nearby area where energy control procedures may be utilized on hazardous energy control procedures and the hazards related to performing activities required for cleaning, servicing, setting-up and adjusting the circular weaving machines located at the Garden Grove facility. As a result, on August 19, 2011, an untrained maintenance person and an operator in the nearby area did not properly lockout/tagout or stay clear of the circular weaving machine #19 during the servicing and repair operation and the operator suffered fatal injuries.

Date By Which Violation Must be Abated: ABATED
Proposed Penalty: \$ 70000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

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Citation and Notification of Penalty

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Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841

[Handwritten signature]
Compliance Officer/District Manager

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

State of California
Division of Occupational Safety and Health
Cal/OSHA Santa Ana District
2000 East McFadden Avenue, Suite 122
Santa Ana, CA 92705
Phone: (714) 558-4451 Fax: (714) 558-2035

NOTICE OF PROPOSED PENALTIES

Company Name: AMERICAN APPAREL (USA), LLC
Inspection Site: 12691 PAULA DRIVE, GARDEN GROVE, CA 92841
Mailing Address: 747 WAREHOUSE ST, LOS ANGELES, CA 90021
Issuance Date: 02/16/2012
Reporting ID: 0950631
Index Code: 4031

Summary of Penalties for Inspection Number 315525634

Citation 1, General	= \$	5285.00
Citation 2, Serious	= \$	25000.00
Citation 3, Willful	= \$	70000.00
TOTAL PROPOSED PENALTIES	= \$	100285.00

Penalties are due within 15 working days of receipt of this notification unless contested. If you are appealing any item of this citation, remittance is still due on all items that are not appealed. Enclosed for your use is a Penalty Remittance Form.

If you are paying electronically: Please have this form on-hand when you are ready to make you payment. The company name, index code, reporting ID and Citation number(s) will be required to ensure that the payment is accurately posted to your account. Please go to www.dir.ca.gov/dosh to access the secure payment processing site.

DIVISION OF OCCUPATIONAL SAFETY AND HEALTH - CAL/OSHA
CASHIER, ACCOUNTING OFFICE
P. O. BOX 420603
SAN FRANCISCO, CA 94142-0603
(415) 703-4291 or (415) 703-4295 or Fax (415) 703-3037

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

DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF OCCUPATIONAL SAFETY AND HEALTH - CAL/OSHA
Cashier, Accounting Office
P.O. Box 420603
San Francisco, CA 94142-0603
Phone (415) 703-4291 or (415) 703-4295 Fax (415) 703-3037

PENALTY REMITTANCE FORM

CIVIL PENALTY INFORMATION	INSPECTION NUMBER <u>315525634</u>	REPORTING ID <u>0950631</u> INDEX CODE <u>4031</u>
ESTABLISHMENT NAME	<u>AMERICAN APPAREL (USA), LLC</u>	
CONTACT PERSON	_____	
PHONE NO.	_____	FAX NO. _____
SITE ADDRESS	<u>12691 PAULA DRIVE, GARDEN GROVE</u>	
MAILING ADDRESS	<u>747 WAREHOUSE ST, LOS ANGELES, CA, 90021</u>	

CITATION INFORMATION (Penalties are due within 15 working days of receipt of this notification unless contested. If you are appealing any item of this citation, remittance is still due on all items that are not appealed.)

Payment is for the following Citation Items: (i.g. Citation 1, Items 1-5; Citation 3)

TYPE OF PAYMENT ENCLOSED

CHECK OR MONEY ORDER INFORMATION

CHECK ENCLOSED IN THE AMOUNT OF \$ _____

MONEY ORDER ENCLOSED IN THE AMOUNT OF \$ _____

(Please make check or money order payable to **CAL/OSHA** and mail to the Cashier, Accounting Office, at the above address. Reference the Inspection Number on the "memo" portion of your check or money order.)

Go to www.dir.ca.gov/dosh to access the on-line third party secure payment processing site or complete this section and fax to (415) 703-3037

CREDIT CARD INFORMATION: CONVENIENCE FEE APPLIES

CREDIT CARD NO. _____ EXPIRATION DATE _____

CREDIT TYPE _____ SECURITY CODE (last 3 digits on back of card) _____ (4 digits on front of Amex card)

NAME OF CARDHOLDER _____ SIGNATURE _____

EMAIL ADDRESS _____

CARDHOLDER PHONE NO. _____ FAX NO. _____

AMOUNT OF PAYMENT \$ _____

----- FOR OFFICE USE ONLY -----

AUTHORIZATION NO. _____ DATE PROCESSED _____

PROCESSED BY _____

Please call (415) 703-4291 or (415) 703-4295 or complete the information above and fax to (415) 703-3037
ELECTRONIC FUNDS TRANSFER EFT OPTION-NO CONVENIENCE FEE APPLIES: GO TO www.dir.ca.gov/dosh

Department of Industrial Relations
DIVISION OF OCCUPATIONAL SAFETY AND HEALTH
 2000 East McFadden Avenue, Suite 122
 Santa Ana, CA 92705
 Tel (714) 558-4451 Fax (714) 558-2035



NOTICE OF VERIFICATION OF ABATEMENT OF SERIOUS VIOLATIONS

AMERICAN APPAREL (USA), LLC
 747 WAREHOUSE ST
 LOS ANGELES, CA 90021

Page 1 of 1

During the course of an inspection or re-inspection at a place of employment located at:

12691 PAULA DRIVE, GARDEN GROVE, CA 92841

The Division has verified abatement of the following Citation(s) alleging a serious violation or Special Order(s) or Order(s) to Take Special Action:

Citation or Order No.	Number of Instances	Date Division Verified Abatement
2	1	August 19, 2012
3	1	August 22, 2012

Signature:

Safety Engineer/Industrial Hygienist

Date of Issuance:

02/16/2012

This notice is provided to the employer in accordance with the provisions of California Labor Code Section 6318(b). The employer is required to post this notice for three (3) working days at or near the location of the alleged violation.

3	1	A9562	010-12	315525634
Region	District	SE/IH I.D. No.	Optional Rpt. No.	Cal/OSHA Form 1 Rpt No.

NOTICE OF ACCIDENT-RELATED VIOLATION AFTER INVESTIGATION

Page 1 of 1

AMERICAN APPAREL (USA), LLC
 747 WAREHOUSE ST
 LOS ANGELES, CA 90021

An investigation of an industrial accident or occupational illness was conducted by **Brandon Hart** at a place of employment located at **12691 PAULA DRIVE, GARDEN GROVE** on **08/19/2011**.

DESCRIBE THE CONDITION INSPECTED: Fatal accident in which, employee Mr. Tuan Phan was crushed while employed as a circular knitting/weaving machine operator at the address listed above.

It has been determined by the Division that the fatal or serious injury, illness or exposure described above was related to the following serious, willful or repeat violation:

Willful Serious

CLASSIFICATION OF VIOLATION

3314(j)

TITLE 8 CCR SECTION

Signature

[Handwritten Signature]
 Safety Engineer/Industrial Hygienist

Signature

[Handwritten Signature]
 District Manager

Date of issuance 02/16/2012 Date investigation completed 02/15/2012

Upon request, the Division will provide the employer with a copy of its inspection report pertaining to this investigation.

3	1	A9562	010-12	315525634
Region	District	SE/IH Identification No.	Optional Report No.	CAL/OSHA Form 1 Report No.

NOTICE OF ACCIDENT-RELATED VIOLATION AFTER INVESTIGATION

Page 1 of 1

AMERICAN APPAREL (USA), LLC
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An investigation of an industrial accident or occupational illness was conducted by **Brandon Hart** at a place of employment located at **12691 PAULA DRIVE, GARDEN GROVE** on **08/19/2011**.

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It has been determined by the Division that the fatal or serious injury, illness or exposure described above was related to the following serious, willful or repeat violation:

<p><u>Serious</u> CLASSIFICATION OF VIOLATION</p> <p>Signature <u><i>[Signature]</i></u> Safety Engineer/Industrial Hygienist</p>	<p><u>3314(c)</u> TITLE 8 CCR SECTION</p> <p>Signature <u><i>[Signature]</i></u> District Manager</p>
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Date of issuance 02/16/2012 Date investigation completed 02/15/2012

Upon request, the Division will provide the employer with a copy of its inspection report pertaining to this investigation.

3	1	A9562	010-12	315525634
Region	District	SE/IH Identification No.	Optional Report No.	CAL/OSHA Form 1 Report No.



Investigation Summary

Thu Feb 16, 2012 1:18pm

Reporting ID	Investigation Summary Number	OSHA-36 Number	OSHA-36 Establishment Name
0950631	202553343	102769155	AMERICAN APPAREL (USA), LLC
Event Date	08/19/11	Event Time	02:39 pm
Type of Event	CRUSHED BY MACHINE		

Inspection Number/ Establishment Name	315525634 AMERICAN APPAREL (USA), LLC
Injured/Deceased Name	TUAN PHAN
Sex:	M. Male
Age:	50
Injury:	A. Fatality
Nature:	21 Other
Part of Body:	13 Head
Source of Injury:	26 Machine
Event Type:	02 Caught in or between
Environmental Factor:	01 Pinch point action
Human Factor:	13 Malfunction of procedure for lock out or tag out
Task:	A Regularly Assigned
Substance Code:	
Occupational Code	779 - MACHINE OPERATORS, NOT SPECIFIED

Abstract:

The Division was notified on August 19, 2011 by emergency responders that a worker had suffered fatal injuries. The employer is a major retail and clothing manufacturer, and the deceased employee was a full-time, circular knitting/weaving machine operator with three years experience with the employer. On the day of the incident, a maintenance mechanic, that also worked for the employer, was repairing a switch on the circular knitting/weaving machine and did not de-energize, lockout or tagout the machine. When the maintenance mechanic stepped away to get a tool, the employee went inside the cage of the machine to remove finished material, and it inadvertently started. The employee suffered many severe and tramatic injuries, resulting in death. Neither employees were under contract, or worked for a temporary staffing agency.

CSHO Signature:		Date:	2/15/12
DM Signature:		Date:	2/15/12
RM Signature:		Date:	



STATE OF CALIFORNIA
 DEPARTMENT OF INDUSTRIAL RELATIONS
 DIVISION OF OCCUPATIONAL SAFETY AND HEALTH

NARRATIVE SUMMARY

Establishment Name	American Apparel, Inc.	W.C. Carrier	Sedgewick TPA	Fatality	Yes
Inspection Number	315525634				
Management Contacted	Title				
Robert Lee	General Manager				

Information on Injured		Covered By Worker's Compensation		Yes	X	No
Name	Address	Telephone Number	Occupation			
Tuan Anh Phan / EE #1	13812 Mc Mains St. Garden Grove, CA 92844	714-487-7074	Machine Operator		X	

* Check box preceding name if confidentiality is given.		
Witness Name (s) / Title	Address	Telephone Number
Reynaldo Ochoa / EE#2	12691 Pala Dr. Garden Grove CA 92841	714-765-4078
Robert Lee, General Manager / ER#1	12691 Pala Dr. Garden Grove CA 92841	714-891-8234
Max Torres, Safety Coordinator / ER#2	4851 S Alameda St. Ste. B-1 Los Angeles CA 90058	213-924-1837
Galdino Vargas, Supervisor / ER #3	2691 Pala Dr. Garden Grove CA 92841	213-819-0909

SUMMARY:

On August 19, 2011, at approximately 2:39 pm an employee of American Apparel, Inc. sustained fatal injuries after he attempted to remove a completed roll of fabric from a circular knitting/weaving machine. Garden Grove Police Department Dispatch contacted the Division that same day at approximately 3:20pm. The Division responded to accident at approximately 3:45pm after receiving the notification.

EE#1 was found unconscious and was removed from the machine by the local Fire Department and was then transported to West Anaheim Medical Center where he expired shortly after arrival.

The employer is a textile manufacturer and retailer; however, at this location employees knit and dye textile products.

ACCIDENT DESCRIPTION:

Prior to the accident, EE#1 asked EE#2 to repair or replace the start button on the machine. EE#2 began to disassemble the start and stop buttons and did not use any lockout/tagout procedures as he was not familiar with these procedures since he had never received training. EE#2 stepped away to get a tool and when he returned he found EE#1 unconscious lying on the floor with blood coming from his head. EE#1 was found inside the cage of a Juki MO-2414 Circular

Knitting/Weaving Machine. The Division interviewed several witnesses to include: Reynaldo Ochoa (Maintenance Mechanic), Robert Lee (General Manager), Max Torres (Safety Coordinator), Galdino Vargas (Supervisor), John Smith (Safety Consultant) and Sgt. M. Johnson and Officer R. Murillo, from the Garden Grove Police Department.

DESCRIPTION OF INJURIES:

Employee #1 suffered fatal multiple blunt trauma external and internal injuries.

External Injuries:

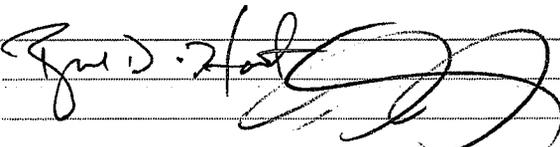
- 1) Open fracture at the right lateral eyebrow.
- 2) Multiple facial and head lacerations.
- 3) Focal contusion on the left cheek.
- 4) Abrasions involving the right axilla, right lateral chest, and right ankle.
- 5) Contusions/abrasions of the left upper chest/shoulder.

Internal Injuries:

- 1) Hinge-type skull fractures.
- 2) Multiple rib fractures, including left posterior ribs 1-7 and right lateral ribs 1-5.
- 3) Bilateral pneumothoraces.
- 4) Pontine and hypothalamic hemorrhages.

The employer was cited as follows:

- 1) General Violation, T8CCR 3203(a) Injury and Illness Prevention Program
- 2) General Violation, T8CCR 2340.16(b) Work Space About Electric Equipment.
- 3) General Violation, T8 CCR 2500.8(a)(1) Uses not Permitted.
- 4) General Violation, T8 CCR 3225(a)(1) Maintenance and Access to Exits.
- 5) Serious Violation, T8 CCR 3314(g)(2)(A)The Control of Hazardous Energy for the Cleaning, Repairing, Servicing, Setting-Up, and Adjusting Operations of Prime Movers, Machinery and Equipment, Including Lockout/Tagout.
- 6) General Violation, T8 CCR 4184(b) Guarding Required.
- 7) General Violation, T8 CCR 4475(a) Commercial Sewing Machines.
- 8) General Violation, T8 CCR 6151(c)(1) Portable Fire Extinguisher.
- 9) Serious Violation, T8 CCR 3314(c) The Control of Hazardous Energy for the Cleaning, Repairing, Servicing, Setting-Up, and Adjusting Operations of Prime Movers, Machinery and Equipment, Including Lockout/Tagout.
- 10) Willful-Serious Violation T8 CCR 3314(j)The Control of Hazardous Energy for the Cleaning, Repairing, Servicing, Setting-Up, and Adjusting Operations of Prime Movers, Machinery and Equipment, Including Lockout/Tagout.

Prepared by:	CSE/IH		Date	2/15/12
Reviewed by:	DM/SR./IH		Date	2/15/12
	Regional Manager		Date	

