



MAR 29 2004

DOT-E 12661
(SECOND REVISION)

EXPIRATION DATE: February 28, 2006

(FOR RENEWAL, SEE 49 CFR § 107.109)

1. GRANTEE: United Parcel Service (UPS)
Atlanta, Georgia
2. PURPOSE AND LIMITATION:
 - a. This exemption authorizes the return shipment by motor vehicle of hazardous materials that have been accepted by the United Parcel Service, transported, and subsequently determined to be non-compliant with the Hazardous Materials Regulation's shipping paper, marking or labeling requirements. This exemption authorizes the transportation of such packages only from the point of discovery back to the offeror. This exemption provides no relief from the Hazardous Materials Regulations (HMR) other than as specifically stated herein.
 - b. The safety analyses performed in development of this exemption only considered the hazards and risks associated with transportation in commerce.
3. REGULATORY SYSTEM AFFECTED: 49 CFR Parts 106, 107 and 171-180.
4. REGULATIONS FROM WHICH EXEMPTED: 49 CFR §§ 172.202 and 172.203(c), (k) and (m) in that an incorrect shipping paper may be identified on an addendum, §§ 172.301 and 172.400 in that either proper marks or labels are required but not both, and § 172.302(c) in that the exemption number need not be marked on the package.
5. BASIS: This exemption is based on the United Parcel Service's application of February 11, 2004, submitted in accordance with § 107.105 and the public process thereon.

6. HAZARDOUS MATERIALS (49 CFR § 172.101):

Only the following categories of hazardous materials are authorized:

Hazardous Materials Description ¹	Hazard Class/ Division	Identification Number	Packing Group
Explosives ²	1.4	As appropriate	II
Flammable gases	2.1	As appropriate	N/A
Nonflammable gases	2.2	As appropriate	N/A
Flammable liquids	3	As appropriate	I, II, III
Flammable solids ^{3,4}	4.1	As appropriate	II, III
Dangerous When Wet materials	4.3	As appropriate	II, III
Oxidizers	5.1	As appropriate	II, III
Organic peroxides ^{3,4}	5.2	As appropriate	II
Toxic materials	6.1	As appropriate	II, III
Corrosive materials	8	As appropriate	I, II, III
Miscellaneous hazard materials	9	As appropriate	II, III

- 1 - A material having a subsidiary hazard that is not identified above may not be transported under the terms of this exemption.
- 2 - Only materials in compatibility groups C, D, E, and S are authorized.
- 3 - Excludes Type A, B and C materials.
- 4 - Excludes materials which require temperature control.

7. SAFETY CONTROL MEASURES:

- a. PACKAGING - Packaging must be a combination packaging authorized by the HMR. Each package may not exceed a maximum gross weight of 32 kg (70 pounds).

b. OPERATIONAL CONTROLS -

(1) Each shipment made under this exemption must be accompanied by an addendum which--

(i) Identifies any areas of non-compliance such as shipping papers, markings, and labels; and

(ii) Has the exemption number "DOT-E 12661" noted on it and references the original shipping paper.

(2) Transportation is only authorized in UPS vehicles from the point of discovery back to the offeror.

(3) Transportation by UPS is authorized only up to 150 miles from the point of discovery.

(4) Each package must have at least a proper marking or a proper label to be transported under the terms of this exemption. An undeclared package (i.e., a package with no marks or labels) may not be transported under the terms of this exemption.

8. SPECIAL PROVISIONS:

a. A material meeting the definition of a material poisonous by inhalation (see 49 CFR § 173.132(a)(1)(ii)) may not be transported under the terms of this exemption.

b. UPS must develop and implement a quality assurance program for customers who offer packages of hazardous materials incorrectly to ensure corrective actions are taken.

c. UPS must develop and implement a quality assurance program for drivers who accept packages of hazardous materials incorrectly to ensure corrective actions are taken.

d. UPS must utilize a driver checklist for initial acceptance of packages for highway transportation.

e. This exemption does not relieve UPS from carrier responsibility.

f. A current copy of this exemption must be maintained at each facility where this exemption is utilized.

9. MODES OF TRANSPORTATION AUTHORIZED: Motor vehicle.

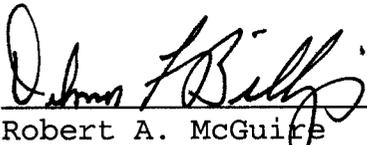
10. MODAL REQUIREMENTS: A current copy of this exemption and the addendum identifying errors must be carried on board each motor vehicle used to transport the hazardous materials covered by this exemption.
11. COMPLIANCE: Failure by a person to comply with any of the following may result in suspension or revocation of this exemption and penalties prescribed by the Federal hazardous materials transportation law, 49 U.S.C. 5101 et seq:
- o All terms and conditions prescribed in this exemption and the Hazardous Materials Regulations, 49 CFR Parts 171-180.
 - o Persons operating under the terms of this exemption must comply with the security plan requirement in Subpart I of Part 172 of the HMR, when applicable.
 - o Registration required by § 107.601 et seq., when applicable.

Each "Hazmat employee", as defined in § 171.8, who performs a function subject to this exemption must receive training on the requirements and conditions of this exemption in addition to the training required by §§ 172.700 through 172.704.

No person may use or apply this exemption, including display of its number, when this exemption has expired or is otherwise no longer in effect.

12. REPORTING REQUIREMENTS: UPS is required to report any incident involving loss of packaging contents or packaging failure to the Associate Administrator for Hazardous Materials Safety (AAHMS) as soon as practicable. (Sections 171.15 and 171.16 apply to any activity undertaken under the authority of this exemption.) In addition, UPS must inform the AAHMS, in writing, of any incident involving the package and shipments made under the terms of this exemption.

Issued at Washington, D.C.:


for _____
Robert A. McGuire
Associate Administrator for
Hazardous Materials Safety

MAR 29 2004

(DATE)

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Address all inquiries to: Associate Administrator for Hazardous Materials Safety, Research and Special Programs Administration, Department of Transportation, Washington, D.C. 20590.
Attention: DHM-31.

Copies of this exemption may be obtained by accessing the Hazardous Materials safety Homepage at <http://hazmat.dot.gov/exemptions>
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PO: DL