1. **GRANTEE:** Gulf and Caribbean Cargo, Inc.
   Waterford, MI
   Air Carrier Certificate Number: VGCA837T

2. **PURPOSE AND LIMITATION:**
   
a. This special permit authorizes the transportation in commerce of certain Division 1.1, 1.2, 1.3 and 1.4 explosives which are forbidden or exceed quantities authorized for transportation by cargo aircraft only. This special permit provides no relief from the Hazardous Materials Regulations (HMR) other than as specifically stated herein. The most recent revision supersedes all previous revisions.

   b. The safety analyses performed in development of this special permit only considered the hazards and risks associated with transportation in commerce.

   c. This special permit authorizes transportation of the materials listed in paragraph 6 (below) in aircraft of United States registry. It does not grant authority to use foreign controlled airspace or airports outside the United States.

   d. No party status will be granted to this special permit.

3. **REGULATORY SYSTEM AFFECTED:** 49 CFR Parts 106, 107 and 171-180.

4. **REGULATIONS FROM WHICH EXEMPTED:** 49 CFR Table § 172.101, Column (9B), § 172.204(c)(3), § 173.27(b)(2)(3) and § 175.30(a)(1) in that an explosive is forbidden by cargo aircraft or the quantity limitation is exceeded.
5. BASIS: This special permit is based on Gulf and Caribbean Cargo, Inc.'s application dated October 27, 2010, submitted in accordance with § 107.109.

6. HAZARDOUS MATERIALS (49 CFR § 172.101):

<table>
<thead>
<tr>
<th>Hazardous Materials Description</th>
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<tbody>
<tr>
<td><strong>Proper Shipping Name</strong></td>
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<tr>
<td>Specific commodity name or generic description, as appropriate</td>
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7. SAFETY CONTROL MEASURES:

PACKAGING - As prescribed in § 173.62.

a. Authorized explosives. Division 1.1, 1.2, 1.3 and 1.4 explosives that are not permitted for shipment by air, or are in quantities greater than those prescribed for shipment by air in 49 CFR Parts 100 through 178, may be accepted and transported in cargo aircraft only subject to the conditions stated herein. Explosives carried under the terms of this special permit must be authorized to be transported by common carrier by highway by 49 CFR Parts 100 through 178.

b. Authorized aircraft. The aircraft to be used must be authorized by Gulf and Caribbean Cargo, Inc.'s FAA operations certificate.

c. Operations manual. Operations must be conducted in accordance with conditions and limitations specified in the certificate holder's operations manual accepted by the FAA.

d. Maximum weight. Not more than 2,000 pounds total net weight of explosives may be carried in the aircraft.

e. Authorized persons aboard aircraft. No person other than a required flight crewmember, an FAA inspector, the shipper or consignee of the material or a representative of
the shipper or consignee so designated in writing, or person necessary for handling the material may be carried on the aircraft.

f. Advance Notice of FAA Regional Hazardous Materials Manager. The operator of the aircraft must notify the FAA Regional Hazardous Materials Manager in the region where the flight will originate. This notification must be given at least 72 hours in advance of plans to operate under the special permit, unless prior arrangements have been made with the cognizant FAA Regional Hazardous Materials Manager. The notification must include the point of departure, intermediate stops, destination(s), and a loading and departure schedule. If a flight schedule deviates more than four hours from the originally scheduled departure time, the operator of the aircraft must notify the cognizant FAA Regional Hazardous Manager. Alternate notification procedures may be established subject to the written approval of the cognizant FAA Regional Hazardous Materials Manager.

g. Advance permission from airport. The operator of the aircraft must have advance permission from the owner or operator of each manned airport where the material is to be loaded or unloaded or where aircraft is to land while the materials are on board. When the destination is changed after departure because of weather or other unforeseen circumstances, permission from the owner or operator of the alternate airport must be obtained as soon as practicable.

h. Flight plan. For flights within the United States only, the operator of the aircraft must include the following information in the "Remarks" section of each flight plan when the provisions of this special permit are exercised:

(1) The classification of each hazardous material aboard the aircraft.

(2) The net weight of each class of hazardous material aboard the aircraft.

i. Loading and unloading. Loading and unloading operations under this special permit must comply with the following:

(1) The loading and unloading of the aircraft must be conducted at a safe distance from heavily populated
areas and from any place of human abode or assembly. However, at an airport where the airport owner or operator or authorized representative thereof has designated a specific location for loading or unloading, the explosives may not be loaded or unloaded at any other location.

(2) Carriage of explosives under this special permit is subject to the same limitations and conditions specified for their transportation by motor vehicle in § 177.835(g) and § 177.848.

(3) The loading arrangements to be used aboard the aircraft for the materials listed in paragraph 6, must be identified in the operator’s operating specifications and have been accepted and approved in writing by an FAA-assigned Principal Operations Inspector in accordance with the operator's approved weight and balance program.

(4) During loading or unloading, no person may smoke or carry a lighted cigarette, cigar or pipe, or operate any device capable of causing an open flame or spark within 50 feet of the aircraft.

(5) No fueling operations of the aircraft carried out during loading and unloading of the explosives.

j. Requirements during operation of aircraft. Operation of the aircraft during takeoff, en route, and landing must be conducted at a safe distance from heavily populated areas.

(1) Before movement of the aircraft, prior to takeoff, and prior to entering an airport traffic area, the pilot of the aircraft must notify the control tower of the class(es) of explosive(s) (including ammunition) on board, and request that this information be released to the appropriate airport officials. This notification must be either communicated by radio transmission or facsimile transmission.

(2) In the event of a diversion from the scheduled route of flight to an airport that was not previously scheduled, the flight crew must notify the control tower during the approach phase of the amount of class of explosives on board and request this information be relayed to the appropriate airport officials. This
notification must be either communicated by radio transmission or facsimilie transmission. For airports without control towers, this communication must be made to the Flight Service Station nearest the airport of intended landing.

(3) When under radar control during the approach and landing phase, the pilot must request appropriate vectors so as to avoid heavily populated areas.

(4) Whenever explosives are on board the aircraft, no person on the aircraft may smoke, or carry a lighted cigarette, cigar, or pipe, or operate any device capable of causing an open flame or spark.

k. Pilot requirements. The operator of the aircraft must ensure the following with respect to pilots of aircraft operating under this special permit:

(1) A minimum of two pilots is required aboard any multi-engine aircraft carrying explosives under this special permit.

(2) Each pilot of the aircraft must be provided written instructions stating the conditions and limitations of the operations being conducted and the name of the official(s) granting the advance permission required by paragraph (g) above except when a landing permit has been granted by an agency of the Department of Defense for landing at a military installation.

(3) Each pilot of an aircraft being operated under this special permit must have received formal training on the requirements of 49 CFR Parts 170-178 that are applicable to his duties and be thoroughly familiar with the specific requirements of this special permit.

l. Attendance of explosives. Division 1.1, 1.2, and 1.3 explosives must be attended at all times they are in the possession of the operator (from the time of receipt from the consignor until time of receipt by the consignee) unless placed in an explosive storage magazine that is approved by the Federal, State or local authority or at a location on a military installation designated by appropriate military authorities.

m. A copy of the required security plan must be made available to any DOT representative upon request.
8. SPECIAL PROVISIONS:

a. The aircraft operator must maintain permanent records of each flight during which explosives are carried under the authority of this special permit. This record must be made available at its principal business office to representatives of the Federal Aviation Administration and submitted to the Associate Administrator for Hazardous Materials Safety (AAHMS) upon request. The record for each flight must include:

   (1) Name of the shipper(s).
   (2) Name of the consignee(s).
   (3) Origin airport(s).
   (4) En route airport(s).
   (5) Destination airport.
   (6) Shipping name and class of each explosive.
   (7) Net weight of each explosive.
   (8) Name of each pilot and any other person aboard the aircraft.
   (9) Registration number of the aircraft.
   (10) Name of the individual representing the owner or operator of each manned airport who granted advance permission for the aircraft to land or take-off while it was being operated under this special permit.

   The record required by this paragraph must be maintained current to within 72 hours of each flight under this special permit.

b. The granting of this special permit does not waive any FAA airworthiness operating requirements or the need to obtain appropriate FAA operating authorizations.

9. MODES OF TRANSPORTATION AUTHORIZED: Cargo aircraft only.

10. MODAL REQUIREMENTS: A current copy of this special permit must be carried aboard each aircraft used to transport explosives covered by this special permit.

11. COMPLIANCE: Failure by a person to comply with any of the following may result in suspension or revocation of this special permit and penalties prescribed by the Federal hazardous materials transportation law, 49 U.S.C. 5105 et seq:
o All terms and conditions prescribed in this special permit and the Hazardous Materials Regulations, 49 CFR Parts 171-180.

o Persons operating under the terms of this special permit must comply with the security plan requirement in Subpart I of Part 172 of the HMR, when applicable. In addition, the air carrier must comply with all cargo security mandates as required by the air carrier’s applicable TSA approved security program and associated security directives.

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 special permit must receive training on the requirements and conditions of this special permit in addition to the training required by § 172.700 through § 172.704.

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

Under Title VII of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)- 'The Hazardous Materials Safety and Security Reauthorization Act of 2005' (Pub. L. 109-59), 119 Stat. 1144 (August 10, 2005), amended the Federal hazardous materials transportation law by changing the term “exemption” to “special permit” and authorizes a special permit to be granted up to two years for new special permits and up to four years for renewals.

12. REPORTING REQUIREMENTS: Shipments or operations conducted under this special permit are subject to the Hazardous Materials Incident Reporting requirements specified in 49 CFR §§ 171.15 Immediate notice of certain hazardous materials incidents, and 171.16 Detailed hazardous materials
incident reports. In addition, the grantee(s) of this special permit must notify the Associate Administrator for Hazardous Materials Safety, in writing, of any incident involving a package, shipment or operation conducted under terms of this special permit.

Issued in Washington, D.C.:

for Dr. Magdy El-Sibaie
Associate Administrator for Hazardous Materials Safety


Copies of this special permit may be obtained by accessing the Hazardous Materials Safety Homepage at http://hazmat.dot.gov/sp_app/special_permits/spec_perm_index.htm
Photo reproductions and legible reductions of this special permit are permitted. Any alteration of this special permit is prohibited.

PO: TG