1. **GRANTEE:** Frazee Industries, Incorporated  
   San Diego, CA

2. **PURPOSE AND LIMITATION:**
   
a. This exemption authorizes the transportation in commerce of certain flammable materials not subject to shipping paper requirements. 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 Part 172, Subpart C in that shipping papers are not required, and 172.301(c) in that the exemption number need not be marked on each package.

5. **BASIS:** This exemption is based on the application of Frazee Industries, Inc. dated January 21, 2002, submitted in accordance with § 107.105 and the public proceeding thereon.
6. HAZARDOUS MATERIALS (49 CFR § 172.101):

<table>
<thead>
<tr>
<th>Hazardous Materials Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proper Shipping Name</td>
</tr>
<tr>
<td>Paint or Paint related material</td>
</tr>
</tbody>
</table>

7. SAFETY CONTROL MEASURES:

a. PACKAGING - Packaging must be as prescribed in the HMR.

b. OPERATIONAL CONTROLS -

(1) Shipments are only authorized for less than .5 mile from Frazee's manufacturing facility to their distribution center via Miramar Road, Milch Ave. and Consolidated Way in San Diego, California, as described in Frazee's January 21, 2002 application.

(2) Shipment must be made using a motor vehicle operated by Frazee Industries, Inc.

(3) Loading, unloading, and operation of the vehicle must be performed by trained personnel from Frazee Industries, Inc.

(4) Each shipment may not exceed 1,000 gallons of hazardous materials.

8. SPECIAL PROVISIONS: A current copy of this exemption must be maintained at each facility where the package is offered for transportation.

9. MODES OF TRANSPORTATION AUTHORIZED: Motor vehicle.

10. MODAL REQUIREMENTS: A current copy of this exemption must be carried aboard each motor vehicle used to transport packages 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:
Continuation of DOT-F 12956

- All terms and conditions prescribed in this exemption and the Hazardous Materials Regulations, 49 CFR Parts 171-180.

- 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: The carrier 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, the holder(s) of this exemption must inform the AAHMS, in writing, of any incident involving the package and shipments made under the terms of this exemption.

Issued in Washington, D.C.:

[Signature]

Robert A. McGuire
Associate Administrator for Hazardous Materials Safety

MAY 22 2002

(Date)

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 Photo reproductions and legible reductions of this exemption are permitted. Any alteration of this exemption is prohibited.

PO: DL