DOT-E 14010

EXPIRATION DATE: August 31, 2006

(FOR RENEWAL, SEE 49 CFR § 107.109)

1. GRANTEE: Varsal, LLC
   Warminster, PA

2. PURPOSE AND LIMITATION:
   a. This exemption authorizes the one-time transportation in
      commerce of hypophosphorous acid in certain UN3H1 jerricans.
      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 § 173.24a(b)(1) in
   that the shipment of a material with a specific gravity
   exceeding that marked on the authorized packaging is not
   authorized, except as specified herein.

5. BASIS: This exemption is based on the application of
   Varsal, LLC dated October 28, 2004, 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>
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<tbody>
<tr>
<td>Proper Shipping Name</td>
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<tr>
<td>Hypophosphorous acid</td>
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7. SAFETY CONTROL MEASURES:

a. PACKAGING - Prescribed packagings are 96 plastic jerricans certified as UN3H1/Y1.2/100/03/CN/330056.

b. OPERATIONAL CONTROLS -

(1) The UN3H1 jerricans must be shipped in pallet loads only and the jerricans must be securely banded and stretch wrapped to the pallet for transportation.

(2) All pallets must be securely blocked and braced prior to transportation.

(3) Shipments are only authorized by motor vehicle from Varsal, LLC to its customers.

8. SPECIAL PROVISION: A current copy of this exemption must be maintained at each facility where the package is offered or reoffered 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 seg:

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

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: Shipments or operations conducted under this exemption 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 exemption must notify the Associate Administrator for Hazardous Materials Safety -- OHMEA, in writing, of any incident involving a package, shipment or operation conducted under terms of this exemption.

Issued in Washington, D.C.

[Signature]

Robert A. McGuire
Associate Administrator for Hazardous Materials Safety


Copies of this exemption may be obtained by accessing the Hazardous Materials safety Homepage at http://hazard.dot.gov/exemptions. Photo reproductions and legible reductions of this exemption are permitted. Any alteration of this exemption is prohibited.

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