1. **GRANTEE:** Strato, Inc.
Piscataway, NJ

2. **PURPOSE AND LIMITATIONS:**
   
a. This special permit authorizes the manufacture, mark, sale and use of non-DOT specification tanks cars with cast manway covers that have been produced by a casting facility that does not meet the quality assurance program requirements of AAR Manual of Standards and Recommended Practices Section C-III(1002/1003), except as specified herein, for the transportation in commerce of the materials authorized by this special permit. 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. The safety analyses did not consider the hazards and risks associated with consumer use, use as a component of a transport vehicle or other device, or other uses not associated with transportation in commerce.

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

4. **REGULATIONS FROM WHICH EXEMPTED:** 49 CFR § 179.7(b)(8) in that provisions indicating the requirements of the AAR Specifications for Tank Cars apply except as specified herein.
5. BASIS: This special permit is based on the application of Strato, Inc. dated September 30, 2016, submitted in accordance with § 107.105 and the public proceeding thereon.

6. HAZARDOUS MATERIALS (49 CFR 172.101):

<table>
<thead>
<tr>
<th>Hazardous Material Description</th>
<th>Hazard Class/Division</th>
<th>Identification Number</th>
<th>Packing Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Materials for DOT Specification 111 Rail Tank Cars</td>
<td>Various</td>
<td>Various</td>
<td>Various</td>
</tr>
</tbody>
</table>

7. SAFETY CONTROL MEASURES:

a. PACKAGING - The packaging prescribed is a DOT 111 specification rail tank car equipped with a cast manway cover as described in the special permit application on file with the Office Hazardous Materials Safety Approvals and Permits Division. The 1,287 manway covers have been produced at a casting facility that does not meet the quality assurance program requirements of AAR MSRP 1002/1003. The cast manway cover authorized must be inspected in accordance with the inspection requirements of paragraph 7.b. of this special permit.

b. TESTING -

(1) Prior to shipment, Strato, Inc. must perform 100% radiographic inspection of 1 cast cover per 50 manway covers of each heat in accordance with AAR Manual of Standards and Recommended Practices Section C-III Appendix T and Strato’s radiograph acceptance criteria on file with OHMS Approval and Permits Division.

(2) If a cover fails the radiograph test, it must be rejected. Two additional covers will be tested from the same heat. If these two parts pass, then remaining covers in the heat will be accepted.

(3) If either of the two additional parts fail, all parts from that heat must be rejected and the radiograph test will be performed on the next heat in accordance with paragraph (b)(1) above.
c. OPERATIONAL CONTROLS –

(1) This special permit authorizes the 1,287 existing manway covers that have been cast and have not been applied to the current rail tank car fleet.

(2) Each manway cover must be stamped with “SP-20350” and each tank car equipped with an authorized manway cover must be marked with “SP-20350” in addition to the required DOT specification markings.

(3) New construction of cast manway covers is not authorized under the terms of this special permit.

(4) Strato, Inc. must provide the end user with the following torque values for gaskets:

<table>
<thead>
<tr>
<th>GASKET TYPE</th>
<th>6-BOLT MANWAY SYSTEM</th>
<th>8-BOLT MANWAY SYSTEM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elastomeric gasket (Soft)</td>
<td>110 ±5 ft-lbs</td>
<td>95 ±5 ft-lbs</td>
</tr>
<tr>
<td>Semi-metallic PTFE gasket (Hard)</td>
<td>250 ±10 ft-lbs</td>
<td>200 ±10 ft-lbs</td>
</tr>
</tbody>
</table>

(5) A current copy of this special permit must be maintained at each loading and unloading facility.

(6) Any manway cover authorized by this special permit which is damaged while in service must be reported in writing to FRA’s Office of Rail Safety, Hazardous Materials Division.

8. SPECIAL PROVISIONS:

a. In accordance with the provisions of Paragraph (b) of § 173.22a, persons may use the packaging authorized by this special permit for the transportation of the hazardous materials specified in paragraph 6, only in conformance with the terms of this special permit.

b. A person who is not a holder of this special permit, but receives a packaging covered by this special permit, may reoffer it for transportation provided no modification or
change is made to the packaging and it is offered for transportation in conformance with this special permit and the HMR.

c. Each packaging manufactured under the authority of this special permit must be either (1) marked with the name of the manufacturer and location (city and state) of the facility at which it is manufactured or (2) marked with a registration symbol designated by the Office of Hazardous Materials Special Permits and Approvals for a specific manufacturing facility.

d. A current copy of this special permit must be maintained at each facility where the packaging is manufactured under this special permit. It must be made available to a DOT representative upon request.

9. **MODES OF TRANSPORTATION AUTHORIZED:** Rail freight.

10. **MODAL REQUIREMENTS:** None

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. 5101 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.

   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 special permit, including display of its number, when this 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.:

[Signature]

for William Schoonover
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: lm/Kenny Herzog