Volume 18, Issue 3 • April 12, 2010

The UPDATE Report

CONGRATULATIONS TO THE FOLLOWING COMPANIES FOR THEIR REACCREDITATION:

Galaxy Aviation Corp.
Chestnut Ridge, NY

United Aerospace Corp.
Miramar, FL

to the **ASA-100** standard and the FAA's AC 00-56A Voluntary Industry Distributor Accreditation Program

What to Do About 8130-3 Tags?

ASA has received a number of emails and phone calls about 8130-3 tags. We have put together this frequently asked questions document in order to begin providing some answers. If you have questions about 8130-3 tags and you don't see an answer here, please feel free to send themit along to the Association and we will do our best to find the answers you need!

What is the current status of Exemption 8696, which is the exemption that permitted accredited ASA members to apply for export 8130-3 tags. ?

The expiration date of Exemption 8696 was extended through 2012 on September 21, 2009. This extension was accomplished before the publication of the final rule changing Part 21, so it still references class III parts. A copy of the extended version of the exemption is available online at: http://www.aviationsuppliers.org/ASA/files/ccLibraryFiles/Filename/000000000304/Combined%20Exemption.pdf

Will Exemption 8696 be updated to reflect the removal of class II-class III distinctions, and the change in regulatory terminology from "parts" to "articles."?"

The expiration date of Exemption 8696 was extended through 2012 on September 21, 2009. This extension was accomplished before the October 2009 publication of the final rule changing Part 21, so it still references class III parts, and still makes other references that are inconsistent with the new regulatory language.

(Continued on Page 3)

ASA
AVIATION SUPPLIERS ASSOCIATION

INSIDE:

MESSAGE FROM ASA'S PRESIDENT

Dear Colleagues,

With the April 16th date for the changes to 8130-3 looming, the leading article addresses Questions/Answers about the changes. If during the transition you or your DAR have questions about the new policies, please communicate the issues to us. ASA is working closely with FAA Headquarters and we want to make sure that all open items are resolved.

This is a busy time with two major trade shows scheduled. ASA will be exhibiting at MRO Americas in Phoenix. We will be holding a training workshop just prior to MRO. Changes to 8130-3 guidance and export issues are key discussion items during the training. ASA will also be exhibiting at Airline Purchasing Expo in London. Jason will be speaking on understanding cross-border impediments for purchasing from USA (export laws, ITAR, etc.) at the Airline Technical Purchasing Conference which is held at the Expo. Export issues continue to be an impediment for distributors.

ASA will be addressing export issues along with regulatory issues, counterfeit parts, business development, quality and operation issues at the ASA Annual Conference held June 27-29, 2010 at the Four Seasons Las Vegas. The hotel room block is sold out, but they are accepting some additional reservations. If you have any problems making a reservation, please contact ASA. ASA will be mailing the brochure this month, but registration information and a draft agenda is on the website. AFRA will be holding their annual conference in conjunction with ASA. Their meeting is open to all ASA attendees.

Hope to see many of you at MRO and ASA.

Take care,
Michele

THE UPDATE REPORT

is the newsletter of the Aviation Suppliers Association.

OUR COMMITMENT

ASA is committed to providing timely information to help members and other aviation professionals stay abreast of the changes within the aviation supplier industry.

The UPDATE Report is just one of the many benefits that ASA offers members. To learn more about our valuable educational programs, please contact ASA.

THE UPDATE REPORT STAFF

Publisher . . . . Michele Dickstein
Editor . . . . . Jason Dickstein
Production . . . . Squaw Design

QUESTIONS ?

EMAIL questions to:
jason@washingtonaviation.com

MAIL questions to:
Jason Dickstein
Aviation Suppliers Association
2233 Wisconsin Ave., NW
Suite 503
Washington, DC 20007
Voice: (202) 347-6899
Fax: (202) 347-6894

BOARD OF DIRECTORS

LIST OF ADVERTISERS

(Continued from Page 1)

With the vast volume of projects in front of the FAA (in order to support the new regulatory language), the FAA does not have the resources to "fix" everything that is wrong with guidance, immediately. ASA has targeted certain critical problems that need to be fixed and we have asked the FAA to address those issue those issues first. Revising exemption Exemption 8696 is considered a lower priority.

Part of the reason for this is because the exemption is no longer legally necessary.

Is Exemption 8696 still necessary?

From a strict legal standpoint, Exemption 8696 becomes legally unnecessary as of April 16, 2010, but from a practical standpoint, inconsistencies in the guidance have made it advisable to keep the exemption in place for the near future.

April 16, 2010 is the day on which the new regulations from subpart L of Part 21 become effective. Under the prior regulations, only a manufacturer could apply for an 8130-3 tag for a class III part. As of April 16, 2010, the regulations will change so that *"A person may obtain from the FAA an export airworthiness approval to export a used aircraft engine, propeller, or article if it conforms to its approved design and is in a condition for safe operation."* 14 C.F.R. § 21.331(c). Under the new standards, the word "article" includes aircraft parts, so any person can apply for an 8130- 3 tag for a demonstrably airworthy aircraft part. The regulations also make it clear that *"Any person may apply for an export airworthiness approval."* 14 C.F.R. § 21.327.

Because of inconsistencies in how the guidance has been drafted, many DARs fear that they will not be permitted to issue 8130-3 tags for demonstrably airworthy parts held by distributors, despite the more inclusive language of the new regulations (which permits all persons to apply).

In order to make sure the DARs continue to have a justification for issuing export 8130-3 tags for parts held by distributors, the FAA extended Exemption 8696 beyond the expected implementation date of the new rule. Thus, DARs who were able to issue tags under exemption 8696 will continue to be eligible to do so.

Distributors were removed from the domestic 8130-3 tag language in FAA Order 8130.21G. Are DARs permitted to issue domestic 8130-3 tags for demonstrably airworthy parts held by distributors?

DARs issue domestic 8130- 3 tags in accordance with their privileges and functions codes, which are described in 8100.8C. 8100.8C directs DARs to issue tags in accordance with FAA Order 8130.21. But FAA

(Continued on Page 4)

(Continued from Page 3)

Order 8130.21G no longer includes instructions on issuing domestic 8130-3 tags for demonstrably airworthy parts held by distributors.

Under 14 C.F.R. § 21.331(c), the new regulations permit a person to apply for export 8130-3 tags but there is no regulatory basis for the domestic 8130-3 tag - it is purely a creation of FAA guidance.

ASA has met with the FAA, and ASA has been told that the removal of distributor authority to apply for domestic 8130-3 tags was inadvertent, and is inconsistent with the FAA's safety and traceability goals. The FAA has pledged to take steps to rectify the situation.

As a short term measure, the FAA has posted a Q&A that verifies that distributors may continue to apply for 8130-3 tags. The relevant Q&A can be found online at:

http://www.faa.gov/aircraft/air_cert/production_approvals/14cfr_amendments/QandA/qa_orders

What is ASA doing to improve the guidance related to distributors and 8130-3 tags?

ASA continues to work closely with the FAA on the issues facing our members.

In our meetings with the FAA, AIR-200 has confirmed to us that they *did not intend to prevent* any DAR who was successfully and legally issuing 8130-3 tags before the changes, from continuing in this practice.

We all recognize that the new FAA guidance is not as clear as it could be. We have provided the FAA with a draft memo that would permit the FAA to issue temporary guidance that would make their intent clear; that draft has not yet been translated into an FAA document.

ASA will continue to work with FAA Headquarters to clarify the guidance in order to make life a little less complicated for both the DARs and the FAA field offices.

Whose Rules to Use When Shipping O2 Bottles

An ASA member recently asked how to ship oxygen cylinders. He explained that his curiosity about this subject was raised by the U.S. rules, which recently imposed new standards for the packaging associated with shipments of oxygen cylinders. He further explained that his research showed that the U.S. standards are inconsistent with international standards found in the IATA Dangerous Goods Regulations.

The short answer is that a shipper needs to follow the U.S. DOT regulations and ignore the IATA/ICAO regulations when shipping oxygen cylinders by air within the United States.

U.S. law requires shippers to conform to the U.S. shipping regulations. It also permits a shipper to comply with the ICAO Technical Instructions for shipping of dangerous goods. This ICAO Manual is republished by the International Air Traffic Association (IATA) as the IATA Dangerous Goods Regulations. The IATA DGR is used by many air carriers as "field manual" of the ICAO Technical Instructions.

The U.S. regulations permit a shipper to ship hazardous materials by air pursuant to the ICAO (IATA) requirements as long as the shipper also complies with the additional U.S. requirements of section 171.24 of the regulations. 49 C.F.R. § 171.24(b). That section's "additional requirements" require a shipper to comply with U.S. DOT packaging standards for oxygen cylinders. 49 C.F.R. § 171.24(d)(2) (explaining that "[a] package containing Oxygen, compressed, or any of the following oxidizing gases must be packaged as required by Parts 173 and 178 of this subchapter: carbon dioxide and oxygen mixtures, compressed; compressed gas, oxidizing, n.o.s.; liquefied gas, oxidizing, n.o.s.; nitrogen trifluoride; and nitrous oxide"). Therefore, one may not rely on the IATA/ICAO rules in lieu of compliance with the U.S. standards that apply to oxygen cylinders.

The U.S. standards for oxygen cylinders are found inat 49 C.F.R. § 173.302(f). AnA cylinder containing oxygen (or certain other oxidizing gasses) is not permitted to be transported on an aircraft unless it meets the standards of that rule:

- Only certain DOT specification and UN specification cylinders are authorized;
- Cylinders must be equipped with a pressure relief device;
- Cylinders must be placed in rigid outer packaging that meets defined criteria (including flame test and thermal resistance criteria);
- The cylinder and the outer packaging must both be marked and labeled in accordance with U.S. marking/labeling requirements;

The ASA member also asked if there were any packaging exceptions that apply if the pressure in the cylinder is particularly low.

Normally a residue of hazardous materials is treated as a shipment of hazardous materials (that is, it is still regulated when it is merely a residue). There is an exception to this rule for nonflammable gasses (Division 2.2), under very little pressure.

Specifically, if the pressure is less than 200 kPa (29.0 psig); at 20 °C (68 °F), then the exception may apply; however, the regulations also specify that this exception does not apply in two situations: (1) if the gas is ammonia, anhydrous, or (2) if the gas has a subsidiary hazard.

(Continued on Page 6)

(Continued from Page 5)

Oxygen has a subsidiary hazard (it is a division 5.1 oxidizer, in addition to being a division 2.2 gas). Because of that subsidiary hazard, oxygen is not permitted to make use of the low-pressure exception. This means that any residue of oxygen in the cylinder makes it a hazardous material even though the pressure in the cylinder may be very low. Thus, the answer to the question about low pressure exceptions is that the regulations do not permit the low pressure exception to be used for oxygen cylinders.

ASA members shipping oxygen bottles should make sure that their employees are properly trained. ASA will offer hazardous materials training in four locations this year: Chicago, Los Angeles, South Florida, and Washington, DC. More information is available at:

http://www.DangerousGoodsTraining.net.

Supplier Control (Manufacturing) Proposal in Europe

If you supply parts to a European manufacturer, then you may be interested in the new auditing rules being proposed by the European Aviation Safety Agency (EASA).

Under current EASA regulations, Production Organization Approval (POA) holders are responsible for controlling quality standards for products and parts they obtain from external suppliers. An element of this supplier control function is often accomplished through auditing.

In today's aviation production industry, several POA holders may obtain parts and products from the same supplier (the same supplier may supply more than one manufacturer). This can result in an inefficient situation

(Continued on Page 8)

Quantum Control

Business Software *Integrated with the* StockMarket

Inventory Management*

The cornerstone for the Quantum Control system. The parts summary screen provides a central viewpoint for all information and activity related to a given part.

The StockMarket

Quantum users can search, buy, and sell parts with other Quantum Users in real time without leaving the software. Inventory postings are automatic and can include details such as serial numbers, images, time life and prices.

Quotation Processing*

Manages the customer quotation process and the recording of supplier responses from outgoing RFQs.

Vendor Quotes*

Provides a tool to locate sources for part procurement and send out requests for quotes to multiple vendors, including multiple lines.

Sales Orders*

Manages the customer order process to include back order management, invoice preparation and product returns.

Invoice Management*

Provides the opportunity to manage the invoice process by viewing system wide for open sales orders and determining if these can be expedited or consolidated with existing invoices, etc.

Purchase Orders & Requests*

Manages the purchasing process including request routing and approval by dollar amount and employee position. Manages purchasing activity for stock, non-stock and exchange.

Purchase Management*

Provides the capability to manage purchasing activities by being able to review all parts needed for procurement based upon sales order requirements and below minimum level stock quantities.

Integrated Accounting

The Accounting Module includes General Ledger, Accounts Receivable, Accounts Payable, and more - all integrated with Sales, Purchasing, Repair, Exchange, Work Order and Invoicing modules.

Physical Inventory*

Manages the physical inventory process. Generates count sheets for manual or barcode counting efforts.

Receiving and Inspection*

The receiving module is a powerful tool for efficient, cost-saving receiving, intermediate and final inspection, and defect recording.

Shipping Management

Manages the shipping and order consolidation process to include user defined stages and statuses. Creates custom invoices, packing slips and certification forms within one shipment.

Demand Planning

Optimizes material and production planning by analyzing historical usage and projecting future demand. Recommends minimum and maximum order quantities based on lead time and forecasted demand.

Lot Costing

Manages lot purchases and assembly teardowns. Provides total tracking of acquisition costs, overhaul expenses, component part sales, profit margins and full traceability.

Data Services

Provides flexible tools to manage the process of both importing and exporting data to/from the Quantum database. Integration points include ILS, USA Info, Partsbase and AvRef.

Management Reports*

Produces hard copy and screen oriented reports supporting all modules throughout the system.

Crystal Reports 11 Pro

Create flexible, feature-rich reports allowing unlimited reporting from Quantum, using the de facto standard for business reporting today.

Aircraft Maintenance

Manages on wing maintenance and includes Engineering Configuration Management, Maintenance Program Management, Maintenance Recording, Technical Records and Flight Log Processing Modules.

Shop Control

Manages the complete Component and Assembly Repair and Overhaul process. Includes real-time Cost and Schedule Management functions that put you in complete control of your shop's activity.

Manufacturing

The Manufacturing Module addresses all aspects of the manufacturing process including product lines, floor control, inspections, materials planning, purchasing and outside servicing.

Repair Orders*

Manages the preparation, pulling from inventory, shipping and receiving of components sent out for repair. The Repair Order module provides historic as well as current repair cost per component, detailed by parts, labor and miscellaneous charges.

Contact Management

This module provides a tool for sales, service or support centers to record, track, status and assign contact activity. Email list management and broadcasting is also included.

Document Imaging

Provides the ability to attach images or documents against part number, stock line, work order, and company.

Company Management*

Contains both customer and vendor information including pre-defined settings such as payment terms, preferred method of shipping, discounts, tax and more. It can also group vendors and suppliers for marketing purposes and provide detailed history information for each vendor and supplier.

Internet Quantum™ (iQ)

The Internet Quantum module (iQ), utilizes StockMarket technology to allow customers to login to your website and view, RFQ, or purchase from your existing stock in real-time. Information such as condition, time & cycles remaining, tag info, scanned documents, delivery time and more is available to assist users in their purchasing decisions.

Max-Q

With Max-Q you get Aviation's leading Business Application, Quantum Control, implemented with the latest database technology from Oracle to provide the ultimate in database Security, Reliability, Scalability and Performance.

Bar Coding

Prints bar codes and allows for the scanning of physical inventory to track and manage stock and account for all parts when shipping, receiving, etc.

Repair Manual Tracking

Tracks all publications and revision dates and review dates. Provides for manual effectivity by part, customer and ATA. Integrated with the Shop Control module providing specific manual requirements for individual work orders.

Rental and Leasing

The Rental and Leasing module has the versatility to handle all of your rental and leasing transactions including flight-time based billing.

GFI Faxmaker

This is a fax manager that supports "background" faxing from all Quantum users by using a service based system. This is a third party MAPI compliant fax manager supporting multiple fax servers and Citrix.

AVREF Catalog Files

The AVREF Catalog System provides the latest OEM pricing information along with access to Government MCRL cross reference data. Completely integrated with the Quantum Inventory Module.

**Standard Quantum Module*

Ask About Our Referral Program

Component Control ~ 619.696.5400 ~ info@componentcontrol.com ~ 1731 Kettner Blvd., San Diego, Ca, 92101

(Continued from page 6)

where the supplier must be audited by several POA holders, each assessing the supplier's compliance to substantially similar standards.

To remedy this situation, the EASA issued a Notice of Proposed Amendment (NPA) entitled "Other Party Supplier Control" to allow third parties to fulfill POA holders' surveillance duties and reduce the duplication of auditing efforts.

The NPA proposes to amend EASA provisions by adding two Acceptable Means of Compliance (AMCs). These new AMCs will allow POA holders to (1) contract with a third party to audit suppliers' quality systems, or (2) rely on supplier certification, whereby a supplier contracts with an appropriately recognized other party for the purpose of obtaining certification.

These two amendments are both essentially two ways to ensure the quality of externally supplied parts: third party audit (AMC No. 1) or third party accreditation (AMC No. 2).

AMC No. 1, which governs third party audits, requires the POA holder to establish procedures used by the third party to notify the POA holder of the discovery of any nonconformitiesnonconformity, corrective actions taken, and any follow-up necessary. Thus, the POA remains in the loop with any findings.

AMC No. 2, which governs third party accreditation, requires the accreditation body to maintain a list of certified suppliers or provide the suppliers with a certificate identifying that the necessary requirements have been met. The POA holder is also required to have monitoring procedures in place:

1. to ensure that the POA holder is aware if the supplier loses an existing certification,
2. to ensure that the POA holder is aware of nonconformities and has access to information about any such nonconformities, and
3. to evaluate the consequences of nonconformities and take appropriate action.

EASA's NPA could reduce the number of manufacturers seeking to audit parts suppliers, however, it is also possible that this rule could be promulgated and each manufacturer could decide to continue to perform their own audits in order to maintain supplier control.

The NPA is open for public comment through April 23, 2010. A copy of the NPA is available online at: http://www.easa.europa.eu/ws_prod/r/doc/NPA/NPA_2010_01.pdf.

Aviation Products Liability Program

Underwritten by Allianz

Endorsed by the Aviation Suppliers Association

This new program is available on a nationwide basis and specifically tailored to meet the needs of the Aviation Suppliers Association membership. Silver Eagle is a specialty insurance agency working solely in the aviation marketplace. With access to every insurance market providing this coverage worldwide, we are pleased to have secured Allianz Global Risks U.S. as underwriter for this specialized market.

Together, we have the experience, understanding, and expertise specifically needed to properly insure the aviation industry. Our commitment to service will ensure you receive the finest available service.

Aviation products liability is a specialized and highly individual insurance coverage. Our program is unmatched in the industry.

We offer ASA members –

- *An additional 10% premium discount for ASA accredited members,*
- *12 or 18-month policies,*
- *10-15% continuity discounts,*
- *additional General Liability is available, and*
- *premium financing options.*

In tandem with products liability, we can also provide you with a quote on your general liability insurance for –

- *Bodily injury*
- *Property damage*
- *Personal injury*
- *Advertising injury*
- *Compensatory and general damages*

For additional information, call John Howard at **847-229-1500** or by email **John@silvereagleagency.com**. For a free, no obligation quote, visit our Web site at **www.silvereagleagency.com**.

Endorsed By

ASA
AVIATION SUPPLIERS ASSOCIATION

This program is endorsed by the Aviation Suppliers Association, administered by Silver Eagle Agency, Inc. and underwritten by Allianz Global Risks U.S., rated A XV by A.M. Best. Coverage is available in all states, but some limitations may apply. Only the policy can give full benefits and descriptions. This is not a binding contract, nor does it imply such.

HIRE Act – New IRS Guidance is Available

Wait, you may be saying - didn't ASA address this new law last month? The government has published additional guidance, so we are able to provide clarification in this article regarding the HIRE Act.

The HIRE Act was enacted on March 18, 2010. The IRS has begun to provide guidance to business owners seeking to claim either of the tax credits available under the HIRE Act. The two main areas of clarification regard whether employers can claim the tax credit for rehiring former employees and how employers should go about claiming the tax credits. IRS Guidance is available online at:

http://www.irs.gov/businesses/small/article/0,,id=220745,00.html.

Rehiring Former Employees

One question that remained after the passage of the HIRE Act was how the Act applied to employers that had previously laid off employees, and whether an employer that previously laid off an employee could claim a tax exemption if the employee was rehired. The basic answer to the question is - YES - an employer that laid off an employee and then rehires that same employee can still claim the payroll tax exemption. The employee, however, must still be a qualified employee – meaning that the employee was not working, or worked less than 40 hours, over the previous 60 days before being employed.

In fact, let us assume that an employee "X" was laid off in 2009, has been receiving COBRA premium assistance since then, and has also been claiming COBRA premium assistance credit. Assume also that "X" otherwise meets the requirements under the HIRE Act. If the employer rehires the employee, "X," then the employer can still claim the payroll tax incentive under the HIRE Act for wages paid to the employee. Also, if an employer laid off an employee due to lack of work, and then hires a new qualified employee when work picks up, the employer still qualifies for the payroll tax incentive.

Claiming the Exemption

Employers seeking to claim either of the two tax credits, the payroll tax credit or the worker retention tax credit, can claim the credits in the following manner:

Employers can begin claiming the payroll tax credit on Form 941, Employer Quarterly Federal Tax Return, beginning the second quarter of 2010.

Employers seeking to claim the general business credit for retaining new workers for over a year can claim the business credit on their 2011 tax return.

This article does not constitute tax law advice nor tax compliance advice, so please make sure that you coordinate your claim of any credit with your tax accountant or attorney.

ASA is now accepting nominations for the 2010 Edward J. Glueckler Award. Each year, the Edward J. Glueckler Award is given to an individual in recognition of outstanding commitment, dedication and contribution to the Aviation Suppliers Association and to the aviation industry. The award is named for Edward J. Glueckler, the founder and first President of ASA. In honor of Mr. Glueckler's outstanding contributions to the industry, the ASA Board of Directors selects a recipient who exemplifies his vision and enthusiasm.

This award will be presented at the ASA 2010 Annual Conference. *Click to nominate:* **http://www.surveymonkey.com/s/G3VH5TW***!*

Note: You must be an ASA Member in order to make a nomination. Nominations are due April 12, 2010.

AIRCRAFT TECHNOLOGY
ENGINEERING & MAINTENANCE

ATE&M has been covering the latest technological advances and maintenance trends in commercial aviation for more than sixteen years

- **ATE&M magazine has been BPA audited since 1994 and has a global print circulation in excess of 11,000. It is also produced in full digital (e-issue) format and is sent to over 20,000 recipients**

- **ATE&M will get your advertising messages across to the right people, and for less cost than most of our main competitors.**

Choose wisely, choose ATE&M!

- **ATE&M magazine has award winning editorial. Two of our journalists were honoured with awards at the prestigious 'Aerospace Journalist of the Year Awards 2009'**

AEROSPACE JOURNALIST OF THE YEAR AWARDS

ATE&M 2010 MEDIA INFORMATION KIT

(available by request, in print as PDF and online)

UBM Aviation

If you want to advertise in ATE&M in 2010, or if you require any further information please contact either Simon Barker or Alan Samuel on Tel: +44 (0) 207 579 4845 or +44 (0) 207 579 4846 or via email at: simon.barker@ubmaviation.com or alan.samuel@ubmaviation.com

DUBAI AIRSHOW · SINGAPORE AIRSHOW · AERO-ENGINE EXPO · AIRLINE PURCHASING & MAINTENANCE EXPO 2010 · Farnborough INTERNATIONAL AIRSHOW · ILA

Roll Over Your Traditional IRAs to a Roth?

Many pundits have pointed out that Congress has done nothing to address the tax laws that are expiring this year. One of the potential benefits that those expiring tax laws provide is a one-time opportunity to Convert convert all or part of a traditional IRA to a Roth IRA. The benefit of such a transfer for a taxpayer is that future growth is tax free - when you withdraw the money from the account it is not subject to tax. If your portfolio has not yet bounced back and you anticipate significant future growth in your IRA portfolio, then this sort of conversion may make a great deal of sense.

One of the disadvantages of this sort of conversion is the tax consequence. You did not pay taxes on your original IRA contributions (they were tax-deferred) so now you have to pay all of the taxes on everything that you convert. This special 2010 conversion option was included in the Bush tax bill in order to generate one-time revenue for the U.S. government for purposes of budget "'scoring"' of the Bush tax bill (the taxes paid on the conversion are positive revenue for the government).

(Continued on Page 13)

2010 Hazmat Training

May 13 & 14 • Los Angeles,CA
May 19 & 20 • Miramar, CA

July 14 & 15 • Chicago, IL
Aug 2 & 3 • Washington, DC

To register:
www.washingtonaviation.com/hazmat

Or call:
202-628-6777

REMINDER: ASA MEMBERS GET DISCOUNTED REGISTRATION.

Who should attend ?

This course is intended for all individuals who may come into contact with, or make decisions that affect hazardous material (Hazmat) or dangerous goods (DG).

Why should I attend ?

The U.S. Department of Transportation (U.S. DOT) requires that all individuals engaged in handling hazardous materials must be trained at least once every 3 years. Air Carriers are required to be trained annually, and IATA requires training every 2 years.

This course will focus on shipments of Dangerous Goods under the IATA Dangerous Goods Regulations (a field manual that includes the ICAO technical instructions). This course will also address matters arising out of United States' regulations that are not covered by IATA.

All attendees receive a Certificate of Training stating 49 CFR 172 Subpart H training requirements have been met (upon successful completion of all attendance and testing requirements).

(Continued from Page 12)

There are three ways in which you can roll over (convert) your traditional IRA into a Roth IRA. First, you can simply roll it over. To roll over a traditional IRA to a Roth IRA, you simply receive a distribution from your traditional IRA and contribute it to a Roth IRA within 60 days after distribution. Second, there can be a trustee-to-trustee transfer. You can direct the trustee of the traditional IRA to transfer funds from the traditional IRA to the Roth IRA. Third, there can be a direct trustee transfer. Here, if the trustee of the traditional IRA is also the trustee of the Roth IRA, you can direct the trustee to transfer an amount from the traditional IRA to the Roth IRA.

Any such rollover of a traditional IRA to a Roth IRA, so long as it follows the conversion rules above, is not subject to the 10% additional tax on early distributions. However, if there are amounts in the traditional IRA that are required to be distributed in the particular year (e.g. because you have reached the age of 70½), then those amounts may not be converted to a Roth IRA. Further, you must include in your gross income distributions, any income from the traditional IRA that you would have had to report as taxable in the particular year if you had not converted to a Roth IRA.

One aspect of IRA roll over that changed in 2010 is the wage limits on rollover. Prior to 2010 if your adjusted gross income (AGI) was over $100,000, you were ineligible to roll over a traditional IRA into a Roth IRA. In 2010, this $100,000 AGI limit does not apply. Also, any amount that must be included in your gross income for 2010 for amounts from the traditional IRA that would have had to been reported as taxable in 2010, can instead be included in equal amounts in 2011 and 2012. ((Howeverhowever, you can still choose to include any such amount in 2010 if you so desire).

(Continued on Page 14)

The above discussion is meant as only an overview of the roll over process. Additional rules apply, including a requirement to calculate after-tax and pre-tax amounts of distribution. For the applicable formulas and additional IRS guidance on IRAs and the conversion of IRAs, please visit the IRS's website for particular guidance for roll overs in 2010 (http://www.irs.gov/pub/irs-tege/spr10.pdf) or more in depth guidance on IRAs in general (http://www.irs.gov/ publications/p590/index.html). This article does not constitute tax law advice nor tax compliance advice, so please make sure that you coordinate your IRA rollover with your tax accountant or attorney.

CALENDAR OF EVENTS

Industry Events

April 20-22, 2010 . . . . . ***MRO Americas***
Phoenix, AZ

May 5-6, 2010 . . . . . ***Airline Purchasing & Maintenance EXPO***
London, UK

June 27-29, 2010 . . . . . ***ASA 2010 Annual Conference***
Las Vegas, NV

Workshops

April 19, 2010 . . . . . ***REGULATORY WORKSHOP***
Phoenix, AZ

May 13-14, 2010 . . . . . ***HAZMAT WORKSHOP***
Los Angeles, CA

May 19-20, 2010 . . . . . ***HAZMAT WORKSHOP***
Miramar, CA

July 14-15, 2010 . . . . . ***HAZMAT WORKSHOP***
Chicago, IL

August 2-3, 2010 . . . . . ***HAZMAT WORKSHOP***
Washington, DC

CONTACT US!

ASA Staff is always interested in your feedback. Please contact us with any comments or suggestions.

Michele Dickstein
President
michele@aviationsuppliers.org

Stephanie Brown
Director of Programs
stephanie@aviationsuppliers.org

Erika Schnure
Programs & Membership Assistant
erika@aviationsuppliers.org

Jason Dickstein
General Counsel
jason@washingtonaviation.com

Diane Leeds
Account Services
diane@aviationsuppliers.org

Subscriptions to **The UPDATE Report** are FREE. To subscribe, please send your request to info@aviationsuppliers.org.