



Appendix V.C.3

Intra-Country Move (iCM) Transportation Service Provider (TSP) Qualifications

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INTRODUCTION

The Department of Defense's (DoD) Personal Property Program incorporates shipment management processes under the Defense Personal Property System (DPS). The customer, the Personal Property Shipping Offices (PPSOs), the Transportation Service Providers (TSPs) and other responsible parties will have access to DPS to enable interaction concerning the management of personal property shipments.

DPS automates, streamlines, and coordinates virtually every aspect of handling personal property shipments. It allows users to perform follow-up checks more effectively, enables users to prepare notifications for the customer and TSP quickly and efficiently, and simplifies organizing, summarizing, reviewing, and transmitting periodic activity reports to management.

This document describes the Defense Personal Property Program (DP3) Intra-Country Move (iCM) process using DPS. iCM is code of service (COS) C, under the International Household Goods (iHHG) market in the International Program.

1.0 SECTION 1 - TSP QUALIFICATIONS

This section is intended to provide new TSPs guidance on how they must demonstrate their qualifications to do iCM business in the Department of Defense's (DoD) Personal Property Program. This document addresses Qualification, Qualification Requirements, TSP Application Submission Instructions, and Definitions. Qualification Requirements delineates the mandatory qualification requirements, qualification requirements for new entrants, and additional market requirements for approval. Within the Defense Personal Property System (DPS), new entrants are classified as both new TSPs requesting initial approval and TSPs requesting re-qualification after prior approval has been revoked.

1.1 Qualification Background

All qualification documentation is submitted on the behalf of the President/CEO and is verifying, agreeing to, signing and submitting all qualification documents that are required. All qualification forms, as outlined below, must be submitted via DPS in accordance with the required timeframes established. A TSP's qualification file that is not maintained and/or updated will be grounds for revocation of DoD approval in the Personal Property Program. All forms must be successfully submitted through DPS before the TSP's request for approval will be reviewed and processed.

The TSP Qualifications for iCM are reviewed and approved by the Military Surface Deployment and Distribution Command (SDDC).

TSPs participating in the DoD Personal Property Program are approved by SDDC before filing rates. Qualifications involve, satisfying the Tender of Service (TOS), international tender and/or domestic tariff, third party payment system (TPPS) agreement and certifications, as applicable. The cost of financial statements, performance bonds, Certificate of Warehouseman's Legal Liability, and other approval documentation is the responsibility of the TSP and is considered as a part of doing business with the Government.

SDDC recommends that all participants read the appropriate 'How to Do Business Guide' <http://www.sddc.army.mil/public/Personal+Property/> and DP3 Business Rules at http://www.transcom.mil/j5/pt/dtr_part_iv.cfm.

SDDC is the approval authority for TSPs to offer services in support of the DoD Personal Property Program, but does not guarantee award of shipments.

Currently approved TSPs must maintain all required documents and certifications to remain in the program.

SDDC reserves the right to revoke a TSP's approval at its discretion.

1.2 Qualification Requirements The following requirements are mandatory for ALL TSPs;

1.2.1 Standard Carrier Alpha Code (SCAC). TSPs must obtain and maintain their unique valid four-character alpha code from the National Motor Freight Traffic Association (NMFTA), 2200 Mill Road, Alexandria, Virginia 22314, at phone (703) 838-1831. Each TSP doing business, such as a motor carrier, freight forwarder, broker, or warehouseman, must have its own SCAC. The SCAC is required on all correspondence to the government for identification purposes. NMFTA charges an annual fee to maintain SCACs. Failure to maintain a valid SCAC at all times will result in removal from the program.

1.2.2 TPPS. All TSPs wishing to perform transportation and/or storage related services for the DoD must have and maintain a trading partner agreement with the TPPS and be TPPS certified for the electronic payment of commercial transportation services prior to applying for approval. TPPS is the payment and transaction system for all TSPs handling DoD personal property. Failure to execute and maintain this agreement and certification will result in approval being denied for New Entrants or removal from the program for existing TSPs.

1.2.3 Central Contractor Registration (CCR). All TSPs doing business with DoD must be registered in the CCR database. Consideration of TSPs for participation in SDDC procurements of transportation and storage services, future solicitations, awards, and payments is based on CCR registration. TSPs register only once and must update information annually. TSPs already qualified do not have to re-register but may have to qualify for iCM or additional services. TSPs should register directly via the Internet at www.ccr.gov. CCR customer service is available through the CCR Customer Service Center at (888) 227-2423 or (269) 961-5757.

1.2.4 Electronic Transportation Acquisition Registration. All TSP information submitted on-line will require authentication using SDDC's Electronic Transportation Acquisition (ETA) system. Prior to requesting an ETA account TSPs must have a Dun & Bradstreet (DUNS) number. This number is a unique nine-digit sequence recognized as the universal standard for identifying businesses worldwide. For more information on DUNS numbers, visit http://www.dnb.com/US/duns_update/.

TSPs seeking qualification approval, as well as currently approved TSPs editing and submitting information to maintain approval, will need an ETA account. Refer to <https://eta.sddc.army.mil/> for details on registering for an ETA account. The following roles are available for selection on the ETA registration page:

- Transportation Service Provider (TSP)
- TSP Representative/Business Partner/Agent
- Shipping Agent
- Rate Filing Representative (ADP Agent)
- Insurance Representative (Insurance Company)
- Bond Representative (Surety Company)

- Financial Representative (CPA [Certified Public Accountant])

1.2.5 Trusted Agents. The Trusted Agent serves as the single point of contact for the ETA Administrator in the processing of password requests. The Trusted Agent is an individual within the service provider's company who has the confidence of the President and who can easily be contacted by the ETA Administrator. The ETA Administrator will contact the appropriate Trusted Agent for access approval. Each company will designate their Trusted Agent, (and an alternate, if applicable) on their respective Electronic Tender of Service Signature Sheet (ETOSSS). In the Trusted Agent data field, which is located in the Key Personnel section of the ETOSSS, enter the Trusted Agent's first name, last name, telephone number and e-mail address in the appropriate data fields. The ETA Administrator will only contact the alternate Trusted Agent, if designated, when the primary cannot be reached or fails to respond.

1.2.6 Digital Identity Certificate Requirement. Commercial users (TSP, TSP's Bond Representative for the Performance Bond, Insurance Representative for the Warehouseman's and Liability Insurance, and Financial Representative for the submission of financials) are required to obtain a digital certificate from one of the External Certificate Authority vendors to access ETA. At minimum, TSPs will be required to purchase the "identity" certificate. Some vendors offer "encryption" certificates for use with email, but these are not required for use with ETA. After the implementation date, commercial users will not be able to access any of the DoD systems without the digital certificate. Be aware that each ETA user-ID may have only one unique certificate associated with it. The TSP will be directed as to how it can link its certificate to its ETA user-ID (i.e. TSP) on the ETA home page.

SDDC recommends companies purchase and begin to use the new digital capability before it becomes mandatory. Questions referring to ETA should be directed to the ETA administrator by clicking on the "Contact ETA" link at the website <https://eta.sddc.army.mil>. The most up to date information on digital certificate requirements is also available at this site.

The qualification process requires TSPs, their Bond Representative, Insurance Representative, and Financial Representative, to use a digital identity certificate from one of these two companies :

- a. Operational Research Consultants, <http://eca.orc.com/>
- b. VeriSign, <http://www.verisign.com/enterprise/government/ieca-DoD.html>

A digital identity certificate is the digital equivalent of an ID card. For DoD military, civilians and authorized contractors, digital identity certificates will be located on a Common Access Card. For TSPs, it will be a file that resides on the user's PC. When a user accesses ETA, the system will check the user's PC for a digital identity certificate. If the PC has one, it will verify the user information and allow the user to access the system(s) for which it has been approved. Using digital identity certificates provides a tighter security environment than user identifications and passwords.

1.2.7 Qualification Timeline. DPS shall monitor a TSP's Qualification package and provide status information in the Documentation Status view to include:

- a. Indication of remaining required documents
- b. Indication of updated documents that have not been submitted.

DPS shall update the status of the forms in DPS to notify the TSP when all of the base qualification forms (outlined in section 1.2.) have been successfully submitted.

TSPs seeking initial qualification as well as previously qualified TSPs seeking qualification in new markets must submit the required forms within the timeframe specified in the announcement during open season. Once a request to perform iCMs has been initiated (by indication on the ETOSSS form), the system requires that the completed package be submitted within 60 calendar days. TSPs must submit their package within the required timeframe to be considered. After the 60-day period has elapsed, TSPs may reapply as a completely new applicant submitting new forms.

After successful submission and validation of the base qualification forms, the TSP's Qualification package will appear in the appropriate SDDC work queue. Only information about TSPs specific to the appropriate SDDC region will be displayed.

DPS monitors a submission for qualifications and sends email alerts to the TSP's address specified on the ETOSSS. Alerts will be sent 30 and 15 days prior to the end of the submission period.

Upon SDDC's subsequent review of each TSP's timely submission, TSPs who are determined to have not met the qualification requirements from information contained on the certificates and forms shall be provided seven calendar days from the date of notification from SDDC to cure any defective portion of the qualification application. Notification by SDDC as to deficiencies contained within the qualification application may be made to the TSP by either telephone or email. Any modification of the original information or other correction that is not filed with SDDC within the seven (7) day correction period will not be considered and the TSP will not be granted approval. The date of notification by SDDC shall not be considered a day for the purposes of this seven (7) day cure period. However, in unusual circumstances where the TSP is prevented from curing any deficiency within the seven (7) day cure period due to extenuating or mitigating circumstances beyond the control of the TSP, SDDC shall have the sole discretion to accept the TSP's cure submission beyond the cure period. SDDC reserves the right to revoke approval at their sole discretion based on disqualifying information not initially provided during the qualification process. TSPs not approved may re-apply during an open season unless otherwise directed by SDDC (i.e. disqualification action removed the TSP from the DPS for a specified period of time).

1.2.8 Submission Requirements for Web Forms. Web Forms include data captured in DPS for population of any/all TSP Qualification forms/documents. To document compliance with the above qualification requirements, TSPs seeking approval must

submit the following forms and documents electronically within the time frame specified during the open season. The following forms must be submitted via DPS:

- a. Electronic Tender of Service Signature Sheet (ETOSSS) submitted by the TSP's
- b. Certificate of Cargo Liability Insurance submitted by the TSP's Insurance Representative
- c. Performance Bond (for Domestic Interstate and/or International) submitted by the TSP's Bond Representative
- d. Certificate of Independent Pricing (CIP) submitted by the TSP's President, CEO, or designated representative
- e. Financial Data/Statements (Audited or Reviewed Financial Data/Statements) submitted by the TSP's independent Financial Representative or CPA
- f. Certificate of Responsibility (COR) submitted by the TSP's President, CEO or designated representative

1.2.9 Submission Requirements of Facsimile Submitted Documents. The following documents must be submitted to SDDC by facsimile transmission at (618) 220-5258.

- a. Proof of applicable Regulatory
- b. Proof of Valid Legal Entity: Articles of Incorporation/Verification of Current Status
- c. Authority – The applicant must submit copies of all necessary authority (i.e. licenses, permits, etc), issued in its name from the appropriate regulatory bodies for the transportation of personal property
- d. Key Personnel Resumes or References (only upon request)
- e. Proof of Company Experience (only upon request)

1.2.10 Changes in Required Administrative TSP Information. All DoD approved TSPs are required to notify SDDC within 45 calendar days of the date of a change of ownership, a change of corporate name, or change of key personnel.

- a. *Change of Ownership:* When a company changes ownership, the company must fill out a "Change of Ownership Novation" within DPS. Additionally, a Novation agreement must be faxed to SDDC at (618) 220-5258. Approval will be based on a review of the sales agreement and evidence to show that the new TSP complies with all qualification requirements. The new asset owner (transferee) must assume all obligations of the transferor. In addition, the seller/transferor (i.e. former owner) guarantees the performance of the contract or bill of lading by signing the Seller/Transferor Certification. The Novation Agreement is located in paragraph 1.8. of this document.
- b. *Change of Company Name and/or Change of SCAC:* When a company changes its name and/or SCAC, they must submit a "Name Change Notification" via DPS. The new SCAC has to be manually entered into DPS and the TSP will have to submit a new ETOSSS for approval by SDDC. TSP should contact DPS Help Desk for further assistance.

c. Change of Key Personnel: When a company changes key personnel they must update their ETOSSS in DPS.

If the certifying official leaves the company or that position, new Certificates of Independent Pricing and Responsibility must be certified and submitted by or on behalf of the higher ranking of the new president or Chief Executive Officer.

All other administrative changes need to be provided, as they occur. Failure to update forms/certifications or have your industry partners update forms as changes occur will likely result in your DoD approval being revoked.

1.2.11 Certificate of Cargo Liability Insurance. For the International program, the minimum cargo liability insurance coverage per shipment is \$50,000. The aggregate amount is \$150,000. The Certificate of Cargo Liability Insurance form located in DPS must be submitted by the TSP's insurance representative only. No other form will be accepted. The certificate of cargo liability must be executed by an insurer with a rating of "A-" or better in the Best Key Rating Guide (<http://www.ambest.com>) Insurance companies, at the TSP's request, must complete appropriate parts of the form. This form remains active until cancelled by the insurance company or TSP.

1.2.12 Changes in Insurance/Bond Notification. The Certificate of Cargo Liability and the Performance Bond forms contain a statement that the insurance/surety companies will give a 30-day notice of any changes, expiration, or cancellations of the policies. The insurance/surety company must submit the notices of cancellation via DPS. The 30-day notice period begins from the date the notification is actually received by SDDC.

1.3 New Entrant Qualifications

1.3.1 Applying for a ETA password and User ID. Surety Company/Insurance Company/C.P.A (Audit Agency) and Transportation Service Provider (Carrier), ETA User I.D./Password and Filing Instructions.

1. Go to <http://www.sddc.army.mil/>
2. Select "ETA Systems" at the top of the website
3. On left pane, select "Register for Access" then select "Register for First Time"
4. Scroll down to Personal Property section
5. Check "DPS"
6. Select Role "Transportation Service Provider or TSP Representative/Business Partner/Agent"
7. Scroll down to bottom of page and select "Generate Request Form"
8. Complete your personal and company information (enter the insurance/surety company that you have authority to write on behalf). Each individual who will be doing a filing with SDDC needs a separate ID and Password.
9. End of page "Submit Request"

You will get an email confirmation, an emailed User ID and then your password will be emailed. All these items are emailed separately. To submit documents:

1. Go to <http://www.sddc.army.mil/>
2. Select ETA Systems at the top of the website
3. Select "Personal Property"
4. Select "Defense Personal Property System (DPS)"
5. Enter your User ID and Password
6. Click on link to Document Status Screen
7. Click the "Go to Form" link and complete document
8. Click on "Submit" at the end of the page

1.3.2 Financial Data/Statements/Ratios. SDDC expects TSPs to meet specific requirements at the time of application and maintain acceptable ratios while participating in the DoD program. New entrants must have their independent TSP Financial Representative (e.g. CPA) submit their most current financial data that has been audited or reviewed

a. Annual Financial Data/Statement Requirements. Approved TSPs must have their independent Financial Representative provide data from audited or reviewed financial statements to SDDC annually. Publicly held firms may have their Chief Financial Officer (CFO) submit the required financial data based on annual reports reviewed by the firm's independent auditor and submitted to the Security Exchange Commission (SEC). All DoD approved TSP's must meet and maintain a quick ratio of 1 to 1 or greater and a positive debt to equity ratio of 4 to 1 or less. Data will be submitted via DPS using the Financial Statement form. Financial statements must be prepared according to generally accepted accounting principles using the accrual basis of accounting. Annual financial statements must be submitted within 150-calendar days of year-end, normally defined as December 31st. If a company closes its books on a fiscal year basis (other than December 31st), then financial statements should be submitted within 150-calendar days of the date it closes its books. Companies desiring to change their report dates must coordinate with SDDC's Internal Review Office at (618) 220-5400. Requests to change reporting periods must be received no later than 90 days before the intended start of changed reporting period. SDDC will approve or reject the requested change no later than 30 days prior to the start of the change period.

b. Failure to Submit Documents or Maintain Acceptable Ratios. If SDDC does not receive the annual financial statements via DPS within the 150-calendar day time frame, the TSP's DoD approval may be revoked at SDDC's sole discretion. No pro forma statements will be accepted in lieu of actual financial statements. Additionally, SDDC reserves the right to obtain services from an independent third party source to conduct financial risk analysis of the TSP's financial submissions. This analysis will compare the TSP with appropriate industry norms. This information may be used to assist in the determination of financial risk to the government. If any DoD-approved TSP falls below the

minimum financial requirement, their DoD TSP approval may be revoked at SDDC's discretion. TSPs are responsible to assure that any financial data submitted via DPS has been reviewed and submitted by an independent CPA (individual or firm). If SDDC determines that data submitted was from other than an independent CPA, or the CFO for publicly held firms, SDDC may immediately cease doing business with the associated TSP.

1.3.3 General. SDDC wants to see the health of the TSP applying to enter or continue participating in the Defense Personal Property Program. TSPs must submit financial data that documents the business operations of the single TSP seeking to qualify or to continue to do business with the DoD. SDDC will not accept combined or consolidated reports where there is no separation from one TSP to another. In other words, SDDC wants to see the health of the individual TSPs. Letters of guarantee from a parent company will not be accepted. Each individual TSP, must separately report SCAC code, and must comply with required ratio minimums as detailed below. TSPs must have their independent Certified Public Accountant provide data from audited or reviewed financial statements. Data will be submitted annually via the web using the Financial Statement web form. SDDC retains the right to request a hard copy of the TSP's full financial statements. If a hard copy of the financial statement is requested by SDDC, the TSP may submit one document containing several companies separate financial information, as long as the financial information is reported in each individual company's name and reflects that company's account information. These requested statements must include all referenced footnotes and the audit or review report. Because these reports are already completed and on file with the TSP, SDDC expects any request report to be provided to the requesting official within five (5) workdays. TSPs not responding within this time period may be subject to having their DoD approval to move household goods revoked. Each TSP must meet and maintain the required minimum ratios, as detailed below.

1.3.4 Definition of Accounting Terms and Ratios. The following definitions apply to the filing of financial data and statements. TSPs should consult their accountant to answer questions on definitions or how to best present financial data.

a. Quick Ratio (1 to 1 or Greater): Cash plus trade receivables divided by current liabilities. SDDC recognizes the industry's uniqueness in that many transportation-related costs are incurred and paid by the TSP after the military shipment is picked-up from the member and before delivery or placement in Storage in Transit. This lag time causes a mismatch between revenues and expenses. If the expenses are included in the financial statements and identified separately as prepaid transportation expenses or unbilled receivables, SDDC will consider them in the Quick Ratio analysis. SDDC does not recognize amounts due from stockholders, affiliated companies or related parties as current assets for the purpose of computing the quick ratio. Accordingly SDDC will compute the quick ratio by adding cash, cash equivalents, and trade receivables to determine quick assets and dividing by current liabilities. Since amounts due from stockholders, related parties, and affiliates are excluded from this computation,

similar amounts payable to these classes of accounts will be subtracted from current liabilities before computing the quick ratio.

b. Debt to Equity Ratio (4 to 1 or Less): Total liabilities divided by the company's equity.

Part I – CERTIFICATION. Stipulate whether the data/statement is reviewed or audited. Annotate the Quick Ratio and the Debt to Equity Ratio.

NOTE: Date is the date of the financial statement, not the date of the review or audit report.

Part II – ACCOUNTANT INFORMATION. Self-explanatory.

Part III – BALANCE SHEET. If applicable, amounts receivables from stockholders, related parties, and affiliates should be shown in a separate line in this section and not aggregated in the trade receivable account.

Part IV – NARRATIVE. Will allow the CPA to add narrative notes to data submitted including events subsequent to the date of the financial statement.

1.3.5 Certificate of Cargo Liability Insurance. SDDC expects the TSPs to meet specific mandatory requirements at the time of application and continuously maintain acceptable insurance coverage while participating in the DoD program. New entrants must have only their insurance representative submit their insurance. TSPs are required to immediately report any change in status concerning their cargo liability insurance to SDDC.

1.3.6 Performance Bonds. SDDC expects the TSPs to meet specific requirements at the time of application and maintain acceptable performance coverage while participating in the DoD program. New entrants must have only their bond representative submit their performance bond. TSPs are required to immediately report any change in status concerning their cargo liability insurance to SDDC.

For the international program the bond requirement is a minimum of \$100,000 or 2.5% of previous-year international DOD revenue, whichever is greater. International TSPs must have their surety company representative submit a “continuous until cancelled” bond via DPS.

When SDDC determines that the bond needs to be increased, the TSP will be notified and provided 30 days to submit a new bond via DPS reflecting the updated amount.

Performance bonds must be continuous with no lapse in coverage. If a lapse in coverage occurs, DOD TSP approval will be revoked.

1.3.7 Electronic Tender of Service Signature Sheet Requirement (ETOSSS). The company's President/CEO must certify that: all information in the ETOSSS application is

true and correct; and the company agrees to provide service as set forth in the International Tender. The ETOSSS includes important ownership information. The ETOSSS also contains: a checklist that the TSP meets all minimum qualification requirements; an International CFAC certification; the type of service the TSP will be performing; the Standard Carrier Alpha Code; the Basic Federal/State Permit Number, TSP type (Freight Forwarder, Motor Carrier, Broker); Employer's IRS identification number; TSP's name; physical and mailing address, fax numbers, telephone numbers, email address; shareholder/partner information; officials authorized to submit electronic forms; Key Personnel; Small Business Certification; and the President's Certification Statement.

Each TSP must identify and continuously maintain a company telephone number, a toll free number, a company facsimile number, and a company e-mail address.

Ownership Interests of TSP Business Entity: Individual shareholder(s)/Partner(s)/Owner(s) Information shall be accurately stated in the ETOSSS. Enter the names of all shareholders involved in the company and their respective percentage of shares or enter the names of all partners and their respective outstanding capital stock/partnership interest in the company (e.g. the information contained in the SEC 10K, Part I, Item 4 Supplementary Item), or the owner(s) of any other type of business entity. For the publicly held companies, report information on executive officers of the company and on the security ownership of certain beneficial owners and management (e.g., the information contained or referenced in the SEC 10K, Part III, Item 12).

- a. **Common Financial and/or Administrative Control (CFAC)** is addressed in the ETOSSS. CFAC means the power, actual as well as legal, to influence the management, direction or functioning of a business organization. CFAC must be declared in accordance with the TOS. TSP's are required to execute a Certificate of Independent Pricing (ref. par. 1.3.11) to qualify for approval. TSP's shall fully comply with all applicable state & federal antitrust laws.
- b. TSPs declaring CFAC cannot compete in the same rate channel in the same code of service. Failure to accurately declare CFAC shall be grounds for disqualification of all CFAC affiliated business entities involved.
- c. **Key Personnel:** TSPs shall accurately disclose each company official, CEO, CFO, President, Vice President, Treasurer, Secretary, Operations Manager, Dispatcher, and Director. TSPs must continually have two (2) key personnel involved in the management of the company (excluding the Treasurer and Secretary) that have a minimum of three (3) years of experience in the movement of personal property shipments. Experience from employment with an international freight forwarder, van line, household goods agent, or relocation move management company are some examples of acceptable forms of occupational training for purposes of meeting this requirement. SDDC reserves the right to request specific evidence to prove that key personnel possess a minimum of three (3) years of experience in transporting Personal Property for at least two (2) of the key employees named above (i.e. a resume, references, etc.).

- d. **Small Business Certification:** TSPs are required to self-certify whether they qualify as a Small Business entity. This information is used for statistical purposes only. The ETOSSS contains a link that sets forth the criteria for qualifying as a small business entity.
- e. TSPs are required to immediately submit a modified ETOSSS in the event of any change to any of the disclosure requirements set forth above.

DPS ETOSSS Actions

PART I - TYPE OF SERVICE

Enter your MC Number, FF Permit, Broker Numbers, and or State Permit/Articles of Incorporation Number

Check the service that you are requesting:

Interstate

Intrastate

Domestic Small Shipment (dS2)

International (iHHG)

International (iUB)

Intra Country (iCM)

Mobile Home

Boat with Tow-away Service

Commercial Boat

Non Temporary Storage (NTS)

PART II - TSP PROCESSING DATA. Name of TSP block - This block is pre-populated based on your ETA registration and must match the company name annotated on your State and/or ICC, FMCSA operating authority (ies). All authorities must be consistence with the company name. If there is a “Doing Business As” company name, please annotate the complete company name on all forms.

Employer’s Internal Revenue Service Identification Number block - (self-explanatory).

DOT number. (self-explanatory).

Physical Street Address block - (self-explanatory)

Mailing Address block - (self-explanatory)

Telephone Numbers, Fax Number, Toll Free Number and Central Email Address block - (self-explanatory).

PART III – PERSONNEL SECTION. A TSP Master user ID with a President title automatically appears in the list of personnel when registered and can only be modified or removed by another TSP Master with a President title.

Changes such as (i.e. ownership, key employees, and addresses) must be updated as they occur.

To add personnel to your ETOSSS Personnel section:

Click the button

Self explanatory fields to be completed within the personnel section are:

Shareholder or Partner

Key Personnel

Years of Experience

Title

PART IV – CERTIFICATION. The Certification Section is the last section of the ETOSSS and is used to certify that the TSP agrees at all times to comply with requirements of the Defense Personal Property Program and disclose any affiliations you have with other TSPs by checking on the blocks applicable to your SCAC. Additionally, the TSP is required on a continuous basis to disclose any affiliations the TSP may have with other TSPs, including Common Financial and/or Administrative Control (CFAC) relationships. For a description of CFAC, see the Tender of Service in the DTR Part IV, Attachment U-R.

PART V - SCAC CHANGE. Indicate if the SCAC specified on the form is a change from a previous SCAC. If so, specify the new SCAC and TSP name.

1.3.8 Certificate of Responsibility (COR). In order to qualify for shipment awards, the COR **must be submitted/resubmitted by or on behalf of the** TSP's President, CEO or designated representative during each Qualification Open Season, prior to annual rate filing and/or as required by SDDC. By submission of this document, the President/CEO is certifying that the information submitted is true and accurate. Failure to submit a COR, or submission of a COR determined to contain false or misleading information, shall subject the TSP to disqualification from the Defense Personal Property Program.

1.3.9 Company Experience Requirements. This requirement pertains to new entrants seeking initial approval. As stated in paragraph 2.1.1, each New Entrant/applicant must have its own SCAC code. The TSP's company must have three (3) years Government and/or commercial experience in the movement of personal property. In order to establish company experience requirements, SDDC will use the date on the Department of Transportation (DOT) Federal Motor Carrier Safety Administration (FMCSA) operating authority (i.e., FMCSA Motor Carrier Certificate, FMCSA Freight Forwarder Permit, FMCSA Broker License, (local state/country operating authority as applicable). Where a state in which the new entrant has obtained the three (3) years of government and/or commercial personal property movement experience is deregulated and no longer issues operating permits, the date on the company's Articles of Incorporation will be used to determine the company's three (3) year experience requirement. SDDC reserves the right to request additional proof of three (3) year personal property experience, e.g., bills of lading, commercial invoices, or similar documents to establish that the new entrants has the requisite period of time of experience to qualify for DoD personal property movements. SDDC reserves the right to entirely disregard any experience received before a break-in-service or experience that was not been accrued for three (3) consecutive years immediately prior to the date of the application for program admission. Experience of a CFAC entity will not be credited or otherwise ascribed to the New Entrant/applicant.

1.3.10 Federal and Local Regulatory Compliance. TSPs are required to comply at all times with all applicable Federal, Local, or Country requirements for the movement and storage of personal property. TSPs must:

- a. Annotate their applicable licensing authority on the ETOSSS; and
- b. Annotate their applicable DOT number. SDDC will use the applicable DOT's Licensing and Insurance System to verify a TSP's valid household goods operating authority.

The TSP must maintain valid household goods operating authority and mandatory levels of insurance at all times. TSPs have a continuing obligation during any period of performance where the TSP is approved to immediately disclose any change in circumstances concerning the necessary requirements under federal and state law to conduct household goods transportation. In the event that the lawful authority of a TSP is revoked, or a change in circumstances would result in the operating authority being deemed invalid, the TSP has a legal obligation to immediately contact SDDC concerning these developments, and DoD TSP approval will be revoked.

1.3.11 Certificate of Independent Pricing (CIP). The CIP must be submitted/resubmitted by or on behalf of the TSP's President, CEO or designated authorized representative, during each Qualification Open Season, prior to annual rate filing and/or as required by SDDC. By submission of this document, the President/CEO is certifying that the information submitted is true and correct, and verifies that any rates filed are the result of independent pricing determinations. TSPs shall always comply with all applicable state and federal antitrust laws.

1.4 Administrative Decisions of SDDC. SDDC's decisions are guided by what SDDC, in its sole discretion, determines to be in the best interest of the Government, and such decisions take into account the best interests of military members and civilian users of the Defense Personal Property Program. Such decisions are inherently governmental in nature.

SDDC reserves the right to exercise its discretion in all government administrative decisions regarding the Defense Personal Property Program. At times, SDDC is required to consider all the relevant facts and circumstances of a particular situation, and make an administrative decision based upon what is considered to be in the best interest of the Government. Because SDDC's decisions are based on factual circumstances that specifically apply to a set of factual circumstances, coupled with a governmental administrative determination as to the best interests of the Defense Personal Property Program best interests at the time the decision is made, claims by TSPs of disparate treatment will not be entertained as a challenge to inherently governmental decisions, unless such decisions are deemed to be arbitrary and capricious.

1.5 TSP Appeals of Administrative Determinations. TSPs or potential TSPs may appeal SDDC administrative decisions that deny qualifications approval or denial of

acceptance of updates or modifications of qualification documentation submitted for qualification to the Defense Personal Property Program. All appeals must be based only upon the documentation that was timely submitted to SDDC, and state the specific reason(s) why the appellant believes that SDDC's decision was arbitrary and capricious in its administrative determination denying entrance into the program due to failure to meet qualification standards, or the administrative determination that an existing TSP no longer can remain in the Defense Personal Property Program due to its failure to maintain qualification standards. SDDC will not consider appeals that lack specificity or merely seek to have SDDC reconsider its administrative determination.

All appeals must:

- a. Be submitted in hard-copy; (an attachment to an email is acceptable to meet this requirement).
- b. Be double-spaced:
- c. Be mailed, scanned and emailed, or electronically faxed to:

Military Surface Deployment and Distribution Command
1 Soldier Way, Building 1900 West
Chief, Personal Property Division, AMSSD – PPP - PO
Scott AFB, Illinois 62225
FAX: (618) 220-5258
Email address for scanned and attached documents:
sddc.safb.ppqual@us.army.mil

- d. Be signed by the TSP's president or CEO, whomever is more senior; even if the TSP emails the documentation as an attachment to an email;
- e. Include the entire filing submitted to SDDC as part of the request that SDDC denied; and
- f. Set forth in detail all factual and legal bases for the appeal.

In no event shall SDDC be responsible for, nor shall SDDC interfere with, any private contracts or contractual negotiations concerning the decision of a TSP to engage in purely private commercial dealings by and between themselves, and their household goods agents, or other private commercial entities that elect to enter into a private contract between two (2) private parties.

TSPs shall be solely responsible for the acts and omissions of any third parties that the TSP elects to enter into a private contract, and TSPs, any household goods agent, or other vendors shall be responsible for conducting their own due diligence when making private commercial decisions as to whether to contract commercially concerning the performance of service under a particular bill of lading. SDDC's review of qualification submissions, and its administrative determination to enroll program participants is an inherently governmental decision made solely on the basis of what is in the best interest of the government, and in no event shall such decision constitute any representation by SDDC to the transportation industry or to the general public as to the credit worthiness or integrity of business entities enrolled in the program. TSPs, subcontractors and vendors

are required to resolve their commercial problems and disputes independently of SDDC, presumably through measures available to entities involved in commercial contracting (e.g., mediation, arbitration, recourse to the judicial system, collection agencies). SDDC will not interfere in the commercial contractual relationships of TSPs and their private contracts, nor will SDDC offer or otherwise assume any actual or *de facto* dispute resolution, mediation or bill collection services.

1.6 TSP Additional Market Requirements. This applies to currently approved TSPs seeking approval to do business in an additional market e.g., domestic interstate/intrastate, mobile home/boats, international household goods or international unaccompanied baggage. Currently, approved TSPs seeking approval to participate in additional markets may only do so during any open season. The following Qualification Applications for Additional Markets shall only be accepted during an open season.

1.6.1 Currently Approved DoD Interstate Domestic TSPs Seeking Additional Intrastate Approval. TSPs must update their ETOSSS in DPS indicating they wish to expand their market to include Intrastate approval. The TSP must fax a copy of the applicable operating authority (State Permit or Articles of Incorporation in states where intrastate transportation is deregulated) to SDDC at (618) 220-5258.

1.6.2 Currently Approved DoD Intrastate Domestic TSPs Seeking Additional Interstate Approval. TSPs must update their ETOSSS in DPS indicating their desire to expand their DoD participation to include Interstate approval. The TSP's Surety Company must timely submit evidence of a Performance Bond in the minimum amount of \$50,000.00 in order to meet minimum qualifications.

1.6.3 Currently Approved DoD Interstate/Intrastate Domestic TSPs Seeking Additional International Approval. TSPs must update their ETOSSS in DPS indicating their desire to expand their DoD participation to include International approval. The TSP must have their insurance provider submit a new Certificate of Cargo Liability Insurance to reflect the additional independent international coverage. The TSP's Surety Company must submit a Performance Bond in the minimum amount of \$100,000.00. In no event shall TSPs use the same Certificate of Cargo Liability Insurance policy for both domestic HHG traffic and international HHG shipments.

1.6.4 Currently Approved DoD International TSPs Seeking Additional Inter/Intrastate Approval. TSPs must update their ETOSSS in DPS indicating their desire to expand their DoD participation to include both Interstate/Intrastate approval. The TSP is required to submit evidence from an insurance provider for a new Certificate of Cargo Liability Insurance to reflect independent domestic coverage, separate and apart from any insurance policy for international shipments. The TSP's Surety Company must submit a Performance Bond in the minimum amount of \$ 50,000.00 if the approval is for *interstate*. No performance bond is required for *intrastate* approval. The TSP should electronically fax a copy of the applicable operating authority for Intrastate approval (e.g., State Permit or Articles of Incorporation in states where intrastate transportation is deregulated) to SDDC at (618) 220-5258.

1.6.5 Currently Approved DoD TSPs Seeking Additional Domestic Boat or Mobile Home Approval. TSPs must update their ETOSSS in DPS indicating they wish to expand their market to include Boat and/or Mobile Home approval. The TSP must have their insurance provider submit an independent Certificate of Cargo Liability Insurance for Mobile Home/Boat. For the Mobile Home/Boat program, the cargo liability insurance coverage minimum amount per shipment is \$ 50,000. The TSP Insurance Representative must enter the Certificate of Cargo Liability Insurance policy information into DPS. No other form of insurance information will be accepted. No performance bond is required for Mobile Home/Boat approval.

1.6.6 Currently Approved DoD International TSPs seeking Additional International Household Goods or Unaccompanied Baggage Approval. TSPs must update their ETOSSS in DPS indicating they wish to expand their market to include international Household Goods or international unaccompanied baggage approval.

Note: The TSPs are not required to submit new Financial Statements, as part of their additional qualification package.

1.7 Removal of Market Approval This applies to currently approved TSPs seeking to withdraw from a particular market and/or code of service. TSP must submit an e-mail to sddc.safb.ppqual@us.army.mil stating their request and also update their ETOSSS in conjunction with the e-mail request. TSP is required to contact the applicable Rate Team Program Manager to coordinate rate removal based on rate tender requirements.

1.8 Change of Ownership Novation Agreement A name change notification must be submitted via the DPS “Name Change Notification.” Additionally, the following form must be completed and submitted (by fax to SDDC at (618) 220-5258).

<p style="text-align: center;">CHANGE OF OWNERSHIP NOVATION AGREEMENT</p> <p>Notice is hereby given that ownership of (enter TSP’s Name) (enter Standard Carrier Alpha Code (SCAC), a DoD-approved personal property TSP, has changed as a result of sale/transfer effective (enter date). A copy of the sales agreement has been electronically faxed to (618) 220-5258. As an authorized official of the new owner (my name will appear on the ETOSSS), I certify that new owner has:</p> <ul style="list-style-type: none">a. Faxed a true and correct copy of the sales agreement (or other transfer document). (Some information may have been redacted to protect sensitive information)b. Acquired certain assets of the TSP and is performing the GBL/BL-based transportation and related services contracts by virtue of the above transferc. Assumed all the obligations and liabilities of the TSP as to contracts previously performed or tenderedd. The capability to perform all obligations that exist under current GBL/BL-based contracts and those

that may be tendered in the future.

- e. Ratified all previous actions taken by the prior owner with respect to GBL/BL-based contracts, with the same force and effect as if the new owner had taken the action.
- f. Agreed to be bound by the terms and conditions applicable to TSPs participating in the DoD Defense Personal Program.
- g. Maintained compliance with TSP qualification requirements to include performance bond, cargo loss and damage insurance, operating authority and financial status as is evidenced by submission via PPQWEB for the bond, insurance certificate and audited or reviewed financial statement.

SELLER/TRANSFEROR CERTIFICATION

In addition, the seller/transferor (i.e., former owner) guarantees the performance of the contract or bill of lading by signing this Seller/Transferor Certification.

Seller/Transferor Name	Title	Date
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TSP CERTIFICATION

I certify that I am the (Corporate Officer's Title-individual must be listed on the Electronic Tender of Service Signature Sheet) of the (TSP's Name (SCAC)) and that I am authorized to represent (TSP's Name). I further certify that statements and documents submitted herewith are true and correct.

New Owners Name	Title	Date
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Figure 1 – Change of Ownership Novation Agreement

1.9 TSP Application Submission Instructions. The purpose of this section is to outline Application submission requirements. By submitting these documents, you legally bind the company to the representations contained therein. In addition, by you electronically signing these documents, you agree to be bound by the rules and regulations stated in the Tender of Service and applicable rate solicitations. Any false representation or certifications shall be subject to adverse administration action, including disqualification from the program.

1.9.1 The Document Status Screen. The Document Status Screen is the primary screen used in the DPS system, and provides links to all of the blank qualifications forms (Document Types) required to be submitted by the TSP or on behalf of the TSP. This screen reflects the status of these submitted web forms. *All forms must be successfully submitted through DPS system before the TSP's request for approval will be reviewed and processed.* The status screen shows the history of each document associated with a TSP. To aid in the review process of the web forms prior to submission, edits have been applied to the web forms to identify incorrect/incomplete entries. The submitter will receive an immediate pop-up screen message stating the error that must be corrected before the form can be successfully submitted.

Upon SDDC's review of each submission, TSPs not meeting the qualification requirements will have seven calendar days from the date of notification from SDDC, (which may come by telephone or email), to provide additional or corrected information. Incomplete packages, such as missing documents, TPPS certification, or not providing evidence of operating authority within the original filing deadline will not be afforded a seven (7) calendar day correction period as such submissions are considered to be non-responsive. The seven (7) day correction period is for incomplete documents, or to provide additional information to cure minor deficiencies or clarify ambiguities when requested by SDDC.

Any corrections that are filed beyond the seven (7) day correction period will not be considered and the TSP will not be granted approval. However, SDDC may consider extenuating or mitigating circumstances beyond the control of the TSP that was the direct cause for failure to meet the correction filing deadline. TSPs who are not approved for the DoD Personal Property Program may apply during an open season. TSPs must have current capability to access the Internet either from their office or using a third party vendor. A TSP assumes all responsibility for all documents arriving within the established timeframe and the accuracy of each submitted document submitted by themselves or by their third party vendor (independent CPA, Surety Company, and insurance company).

Each TSP and their third party vendor (independent CPA, Surety Company, and insurance company) are required to obtain an ETA account in order to access DPS to submit applicable web forms. To request this account visit the ETA homepage located at <https://eta.sddc.army.mil/>. Click on "ETA systems," click on "Register for the First Time," scroll down to Personal Property, select DPS. Next select your role from the drop down menu list of roles for the DPS system. The following roles are available upon for selection the TSP Representative/Business Partner/Agent:

Transportation Service Provider (TSP)
TSP Representative/Business Partner/Agent:
Financial Representative
Insurance Representative
Bond Representative

A role determines the applications within a system that you will be allowed to use. You may only choose one role per system. Click the "Generate Request Form" button at the bottom after you've selected DPS and your role. When you click the "Generate Request Form" button, an entry screen will prompt you to enter your information. Please note that fields containing an asterisk are required fields for registration. Also, the accuracy of your email address is extremely important for the registration process. All the roles listed above will need their own separate ETA account.

Upon completing and submitting your ETA registration information, you will be sent an email confirming your request. This email will contain your Request ID (which will become your ETA user ID upon approval). If you do not receive your confirmation email

within 24 hours (usually it comes much sooner), please contact by email sddc.safb.ppqual@sddc.safb the administrator of Personal Property Qualifications. Please include your Request ID/User ID in all correspondence with ETA administrators. Within five to seven (5-7) business days you will receive notification of approval (and a password) or a denial. You must obtain this password before you can continue to apply for approval.

DoD will require that all users of DoD systems use digital certificates as means of access to those systems. At that time, commercial users will have to obtain a digital certificate from one of the External Certificate Authority vendors at a cost.

1.9.2 The DPS Process. DPS tracks documents pertinent to the TSP qualification process for both domestic and international TSPs. This system allows TSPs or their representatives (CPA, Surety representatives or Insurance company representatives) to fill out the necessary qualification documents through web pages and provides real time edit checks on formatting, thus allowing problems with their forms to be corrected before submission. This prevents wasted time and effort in having the forms manually reviewed and problems reported back later. The submitted information is stored at SDDC within DPS. The entire web submitted forms are user authenticated.

In addition to web forms, the following non-web forms may be required as part of the TSP's application. These forms *may* be submitted via mail, scanned and emailed, or electronically faxed. Key Personnel Resumes or References will be faxed to SDDC only upon request. Proof of Company Experience will be faxed to SDDC only upon request.

1.9.3 Document Status Screen. The Document Status Screen is the primary screen used in the DPS system. The screen reflects links to the all qualification related forms and their respective status.

Initial form document statuses are:

- a. Required.** The form must be submitted before your TSP Qualification Package is considered complete and can be reviewed by SDDC
- b. Not Required.** The form is not currently required from you.

Statuses which apply to forms in use are:

- a. In Progress.** Created and partially or completely filled out by TSP but not submitted
- b. Submitted.** TSP completed and successfully submitted to SDDC
- c. Under Review.** In the SDDC work queue for review and/or approval
- d. Approved.** SDDC has reviewed, accepted and approved changes.
- e. Rejected.** SDDC has reviewed and rejected changes

The following statuses are possible with certain forms after you have been accepted into the program:

- a. Update as Necessary.** Same as "approved"

- b. Cancel Pending.** Insurance or bond representative has given 30-day notice of cancellation
- c. Cancelled.** Insurance or bond certificate has been cancelled
- d. Re-certify.** Form must be updated and resubmitted to remain approved.

1.9.4 Form Completion: The qualification forms are the same for both the International and Domestic programs with exception of the performance bond that is required in the Domestic Interstate program and the International program. Also, minimums and amounts may differ (please refer to different Sections of this book for details). To complete the forms, simply click on “Go to Form” for the respective form located in the Document Status screen. Complete each form and then hit “Submit”. More detail for each form is provided in the Detailed Form Instructions below. Please note that every field on every form **MUST** have an entry. If the data requested does not apply, type N/A, NONE, or NA and for numeric fields a zero is required.

1.9.5 Detailed Form Instructions. Detailed instructions for completing each individual form that a TSP or his industry partner/authorized representative, working on his behalf, must complete before a TSP may be considered for qualification by SDDC are located in paragraph 1.3.5. The TSP *must* submit the Electronic Tender of Service Signature Sheet (ETOSSS) *first* before any other document may successfully be submitted.