



"Proudly Serving Military Families"

NATIONAL FORWARDING CO., INC.

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DATE: October 18, 2016
TO: Agents and Haulers of National Forwarding Co., Inc. and Affiliates
FROM: Patrick C. Johnson, President
SUBJECT: U.S. Bank Billing Fee Charge

Despite the best efforts of our associations, we have been unsuccessful in persuading USTRANSCOM to roll back the unprecedented increase in the discount fee that U.S. Bank charges for utilizing its electronic billing and payment system. Attached is the SDDC-PP Advisory 17-0004 for your reference.

The associations are looking into other actions which can be taken.

If we are able to obtain a refund in the future, any amount deducted will be refunded to you.

PCJ/ab
Attachment

SDDC-PP Advisory 17-0004

Date: 13 October 2016

From: AMSSD-PP, Scott AFB, IL 62225

To: Military Service Headquarters Representatives, Worldwide Personal Property Shipping Offices (PPSOs), and DoD-approved Personal Property Transportation Service Providers (TSPs)

Subject: US Bank Fee Change to the Third Party Payment System (TPPS)

1. This advisory is to inform TSPs of the fee change to the TPPS.
2. US Bank provides TPPS services through a contractual arrangement with USTRANSCOM. The TPPS contract states US Bank may charge TSPs a fee for providing these services, not to exceed 2% of the total invoice amount. The 1.33% transaction fee implemented by US Bank on 1 October 2016 is not in violation of the terms of the contract. US Bank declined USTRANSCOM's request to delay the adjustment of the fee to coincide with the annual household goods rate filing schedule.
3. Each individual TSP negotiates their fees and terms with US Bank in an agreement, which is separate from the TPPS contract. USTRANSCOM is not part of those negotiations and does not have access to those proprietary agreements. However, USTRANSCOM understands that prior to the fee adjustment, some TSPs paid more than a 1.33% fee, while other TSPs paid less. As a result, some TSPs may be adversely affected by the fee change while other TSPs may realize a cost savings.
4. SDDC and USTRANSCOM considered options presented by TSPs to address the fee change, including a "pass through" and an out-of-cycle household goods rate filing. There is no legal justification for a "pass through" reimbursement, as the TSPs were on notice of the potential fee increase up to a maximum of 2% pursuant to their independent agreements with US Bank. We also determined that an out-of-cycle rate filing event would be impractical as the preparations for the May 2017 rate filing cycle are already in-progress.
5. After carefully examining the concerns raised by TSPs, we have determined this issue is best resolved between US Bank and any impacted TSPs.
6. Please email any questions/concerns to army.sddc.safb.billing@mail.mil.
7. This message is approved for release by the Personal Property Director, HQ SDDC.