

# 49 CFR Part 375 Transportation of Household Goods - Consumer Protection Regulations

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**Authority:** 5 U.S.C. 553; 49 U.S.C. 13301, 13704, 13707, 14104, 14706; and 49 CFR 1.73.

### **Subpart A—General Requirements**

#### **§ 375.101 Who must follow these regulations?**

You, a for-hire motor carrier engaged in the interstate transportation of household goods, must follow these regulations when offering your services to individual shippers. You are subject to this part only when you transport household goods for individual shippers by motor vehicle in interstate commerce as defined in § 390.5 of this subchapter.

### § 375.103 What are the definitions of terms used in this part?

Terms used in this part are defined as follows. You may find other terms used in these regulations defined in 49 U.S.C. 13102. The definitions contained in this statute control. If terms are used in this part and the terms are neither defined here nor in 49 U.S.C. 13102, the terms will have the ordinary practical meaning of such terms.

**Advertisement** means any communication to the public in connection with an offer or sale of any interstate household goods transportation service. This includes written or electronic database listings of your name, address, and telephone number in an on-line database. This excludes listings of your name, address, and telephone number in a telephone directory or similar publication. However, Yellow Pages advertising is included in the definition.

**Cashier's check** means a check that has all four of the following characteristics:

- (1) Drawn on a bank as defined in 12 CFR 229.2.
- (2) Signed by an officer or employee of the bank on behalf of the bank as drawer.
- (3) A direct obligation of the bank.
- (4) Provided to a customer of the bank or acquired from the bank for remittance purposes.

**Certified scale** means any scale inspected and certified by an authorized scale inspection and licensing authority, and designed for weighing motor vehicles, including trailers or semi-trailers not attached to a tractor, or designed as a platform or warehouse type scale.

**Commercial shipper** means any person who is named as the consignor or consignee in a bill of lading contract who is not the owner of the goods being transported but who assumes the responsibility for payment of the transportation and other tariff charges for the account of the beneficial owner of the goods. The beneficial owner of the goods is normally an employee of the consignor and/or consignee. A freight forwarder tendering a shipment to a carrier in furtherance of freight forwarder operations is also a commercial shipper. The Federal government is a government bill of lading shipper, not a commercial shipper.

**Force majeure** means a defense protecting the parties in the event that a part of the contract cannot be performed due to causes which are outside the control of the parties and could not be avoided by exercise of due care.

**Government bill of lading shipper** means any person whose property is transported under the terms and conditions of a government bill of lading issued by any department or agency of the Federal government to the carrier responsible for the transportation of the shipment.

**Household goods**, as used in connection with transportation, means the personal effects or property used, or to be used, in a dwelling, when part of the equipment or supplies of the dwelling. Transportation of the household goods must be arranged and paid for by the individual shipper or by another individual on behalf of the shipper. Household goods include property moving from a factory or store if purchased with the intent to use in a dwelling and transported at the request of the householder, who also pays the transportation charges.

**Individual shipper** means any person who is the consignor or consignee of household goods shipment identified as such in the bill of lading contract. The individual shipper owns the goods being transported and pays the transportation charges.

**May** means an option. You may do something, but it is not a requirement.

**Must** means a legal obligation. You must do something.

**Order for service** means a document authorizing you to transport an individual shipper's household goods.

**Reasonable dispatch** means the performance of transportation on the dates, or during the period, agreed upon by you and the individual shipper and shown on the Order For Service/Bill of Lading. For example, if you deliberately withhold any shipment from delivery after an individual shipper offers to pay the binding estimate or 110 percent of a non-binding estimate, you have not transported the goods with reasonable dispatch. The term "reasonable dispatch" excludes transportation provided under your tariff provisions requiring guaranteed service dates. You will have the defenses of force majeure, *i.e.*, superior or irresistible force, as construed by the courts.

**Should** means a recommendation. We recommend you do something, but it is not a requirement.

**Surface Transportation Board** means an agency within the Department of Transportation. The Surface Transportation Board regulates household goods carrier tariffs among other responsibilities.

**Tariff** means an issuance (in whole or in part) containing rates, rules, regulations, classifications or other provisions related to a motor carrier's transportation services. The Surface Transportation Board requires a tariff contain specific items under § 1312.3(a) of this title. These specific items include an accurate description of the services offered to the public and the specific applicable rates (or the basis for calculating the specific applicable rates) and service terms. A tariff must be arranged in a way that allows for the determination of the exact rate(s) and service terms applicable to any given shipment.

**We, us, and our** means the Federal Motor Carrier Safety Administration (FMCSA).

**You and your** means a motor carrier engaged in the interstate transportation of household goods and its household goods agents.

### **§ 375.105 What are the information collection requirements of this part?**

(a) The information collection requirements of this part have been reviewed by the Office of Management and Budget pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) and have been assigned OMB control number 2126-0025.

(b) The information collection requirements are found in the following sections: Section 375.205, Section 375.207, Section 375.209, Section 375.211, Section 375.213, Section 375.215, Section 375.217, Section 375.303, Section 375.401, Section 375.403, Section 375.405, Section 375.409, Section 375.501, Section 375.503, Section 375.505, Section 375.507, Section 375.515, Section 375.519, Section 375.521, Section 375.605, Section 375.607, Section 375.609, Section 375.803, Section 375.805, and Section 375.807.

## **Subpart B—Before Offering Services to My Customers Liability Considerations**

### **§ 375.201 What is my normal liability for loss and damage when I accept goods from an individual shipper?**

(a) In general, you are legally liable for loss or damage if it happens during performance of any transportation of household goods and all related services identified on your lawful bill of lading.

(b) You are liable for loss of, or damage to, any household goods to the extent provided in the current Surface Transportation Board's released rates order. Contact the Surface Transportation Board for a current copy of the Released Rates of Motor Carrier Shipments of Household Goods. The rate may be increased annually by the carrier based on the Department of Commerce's Cost of Living Adjustment.

(c) As required by § 375.303(g), you may have additional liability if you sell liability insurance and you fail to issue a copy of the insurance policy or other appropriate evidence of insurance.

(d) You must, in a clear and concise manner, disclose to the individual shipper the limits of your liability.

### **§ 375.203 What actions of an individual shipper may limit or reduce my normal liability?**

(a) If an individual shipper includes perishable, dangerous, or hazardous articles in the shipment without your knowledge, you need not assume liability for those articles or for the loss or damage caused by their inclusion in the shipment. If the shipper requests that you accept such articles for transportation, you may elect to limit your liability for any loss or damage by appropriately published tariff provisions.

(b) If an individual shipper agrees to ship household goods released at a value greater than 60 cents per pound (\$1.32 per kilogram) per article, your liability for loss and damage may be limited to \$100 per pound (\$220 per kilogram) per article if the individual shipper fails to notify you in writing of articles valued at more than \$100 per pound (\$220 per kilogram).

(c) If an individual shipper notifies you in writing that an article valued at greater than \$100 per pound (\$220 per kilogram) will be included in the shipment, the shipper will be entitled to full recovery up to the declared value of the article or articles, not to exceed the declared value of the entire shipment.

## **General Responsibilities**

### **§ 375.205 May I have agents?**

(a) You may have agents provided you comply with paragraphs (b) and (c) of this section. A household goods agent is defined as either one of the following two types of agents:

(1) A **prime agent** provides a transportation service for you or on your behalf, including the selling of, or arranging for, a transportation service. You permit or require the agent to provide services under the terms of an agreement or arrangement with you. A prime agent does not provide services on an emergency or temporary basis. A prime agent does not include a household goods broker or freight forwarder.

(2) An **emergency or temporary agent** provides origin or destination services on your behalf, excluding the selling of, or arranging for, a transportation service. You permit or require the agent to provide such services under the terms of an agreement or arrangement with you. The agent performs such services only on an emergency or temporary basis.

(b) If you have agents, you must have written agreements between you and your prime agents. You and your retained prime agent must sign the agreements.

(c) Copies of all your prime agent agreements must be in your files for a period of at least 24 months following the date of termination of each agreement.

### **§ 375.207 What items must be in my advertisements?**

(a) You and your agents must publish and use only truthful, straightforward, and honest advertisements.

(b) You must include, and you must require each of your agents to include, in all advertisements for all services (including any accessorial services incidental to or part of interstate household goods transportation), the following two elements:

(1) Your name or trade name, as it appears on our document assigning you a U.S. DOT number, or the name or trade name of the motor carrier under whose operating authority the advertised service will originate.

(2) Your U.S. DOT number, assigned by us authorizing you to operate as a for-hire motor carrier transporting household goods.

(c) Your FMCSA-assigned U.S. DOT number must be displayed only in the following form in every advertisement: U.S. DOT No. (*assigned number*).

### **§ 375.209 How must I handle complaints and inquiries?**

- (a) You must establish and maintain a procedure for responding to complaints and inquiries from your individual shippers.
- (b) Your procedure must include all four of the following items:
  - (1) A communications system allowing individual shippers to communicate with your principal place of business by telephone.
  - (2) A telephone number.
  - (3) A clear and concise statement about who must pay for complaint and inquiry telephone calls.
  - (4) A written or electronic record system for recording all inquiries and complaints received from an individual shipper by any means of communication.
- (c) You must produce a clear and concise written description of your procedure for distribution to individual shippers.

### **§ 375.211 Must I have an arbitration program?**

- (a) You must have an arbitration program to resolve property loss and damage disputes for individual shippers. You must establish and maintain an arbitration program with the following eleven (11) minimum elements:
  - (1) You must design your arbitration program to prevent you from having any special advantage in any case where the claimant resides or does business at a place distant from your principal or other place of business.
  - (2) Before execution of the order for service, you must provide notice to the individual shipper of the availability of neutral arbitration, including all three of the following items:
    - (i) A summary of the arbitration procedure.
    - (ii) Any applicable costs.
    - (iii) A disclosure of the legal effects of election to use arbitration.
  - (3) Upon the individual shipper's request, you must provide information and forms you consider necessary for initiating an action to resolve a dispute under arbitration.
  - (4) You must require each person you authorize to arbitrate to be independent of the parties to the dispute and capable of resolving such disputes, and you must ensure the arbitrator is authorized and able to obtain from you or the individual shipper any material or relevant information to carry out a fair and expeditious decision-making process.
  - (5) You must not charge the individual shipper more than one-half of the total cost for instituting the arbitration proceeding against you. In the arbitrator's decision, the arbitrator may determine which party must pay the cost or a portion of the cost of the arbitration proceeding, including the cost of instituting the proceeding.
  - (6) You must refrain from requiring the individual shipper to agree to use arbitration before a dispute arises.
  - (7) Arbitration must be binding for claims of \$5,000 or less, if the individual shipper requests arbitration.
  - (8) Arbitration must be binding for claims of more than \$5,000, if the individual shipper requests arbitration and the carrier agree to it.
  - (9) If all parties agree, the arbitrator may provide for an oral presentation of a dispute by a party or representative of a party.
  - (10) The arbitrator must render a decision within 60 days of receipt of written notification of the dispute, and a decision by an arbitrator may include any remedies appropriate under the circumstances.
  - (11) The arbitrator may extend the 60-day period for a reasonable period if you or the individual shipper fails to provide, in a timely manner, any information the arbitrator reasonably requires to resolve the dispute.

(b) You must produce and distribute a concise, easy-to-read, accurate summary of your arbitration program, including the items in this section.

### **§ 375.213 What information must I provide to a prospective individual shipper?**

(a) Before you execute an order for service for a shipment of household goods, you must furnish to your prospective individual shipper, all five of the following documents:

- (1) The contents of Appendix A of this part, "Your Rights and Responsibilities When You Move."
- (2) A concise, easy-to-read, accurate estimate of your charges.
- (3) A notice of the availability of the applicable sections of your tariff for the estimate of charges, including an explanation that individual shippers may examine these tariff sections or have copies sent to them upon request.
- (4) A concise, easy-to-read, accurate summary of your arbitration program.
- (5) A concise, easy to read, accurate summary of your customer complaint and inquiry handling procedures. Included in this description must be both of the following two items:
  - (i) The main telephone number the individual shipper may use to communicate with you.
  - (ii) A clear and concise statement concerning who must pay for telephone calls.

(b) To comply with paragraph (a)(1) of this section, you must produce and distribute a document with the text and general order of Appendix A to this part as it appears. The following three items also apply:

- (1) If we, the Federal Motor Carrier Safety Administration, choose to modify the text or general order of Appendix A, we will provide the public appropriate notice in the **Federal Register** and an opportunity for comment as required by Part 389 of this chapter before making you change anything.
- (2) If you publish the document, you may choose the dimensions of the publication as long as the type font size is at least 10 point or greater and the size of the booklet is at least as large as 36 square inches (232 square centimeters).
- (3) If you publish the document, you may choose the color and design of the front and back covers of the publication. The following words must appear prominently on the front cover in at least 12 point or greater bold or full faced type: "**Your Rights And Responsibilities When You Move. Furnished By Your Mover, As Required By Federal Law.**" You may substitute your name or trade name in place of "Your Mover" if you wish (for example, *Furnished by XYZ Van Lines, As Required By Federal Law*).

(c) Paragraphs (b)(2) and (b)(3) of this section do not apply to exact copies of Appendix A published in the **Federal Register** or the *Code of Federal Regulations*.

## **Collecting Transportation Charges**

### **§ 375.215 How must I collect charges?**

You must issue an honest, truthful freight or expense bill in accordance with Subpart A of Part 373 of this chapter. All rates and charges for the transportation and related services must be in accordance with your appropriately published tariff provisions in effect, including the method of payment.

### **§ 375.217 How must I collect charges upon delivery?**

(a) You must specify the form of payment when you prepare the estimate. You and your agents must honor the form of payment at delivery, except when a shipper agrees to a change in writing.

(b) You must specify the same form of payment provided in paragraph (a) of this section when you prepare the order for service and the bill of lading.

(c) Charge or credit card payments:

- (1) If you agree to accept payment by charge or credit card, you must arrange with the individual shipper for the delivery only at a time when you can obtain authorization for the shipper's credit card transaction.

(2) Paragraph (c)(1) of this section does not apply to you when you have equipped your motor vehicle(s) to process card transactions.

(d) You may maintain a tariff setting forth nondiscriminatory rules governing collect-on-delivery service and the collection of collect-on-delivery funds.

(e) If an individual shipper pays you at least 110 percent of the approximate costs of a nonbinding estimate on a collect-on-delivery shipment, you must relinquish possession of the shipment at the time of delivery.

### **§ 375.219 May I extend credit to shippers?**

You may extend credit to shippers, but, if you do, it must be in accordance with § 375.807.

### **§ 375.221 May I use a charge or credit card plan for payments?**

(a) You may provide in your tariff for the acceptance of charge or credit cards for the payment of freight charges. Accepting charge or credit card payments is different than extending credit to shippers in §§ 375.219 and 375.807. Once you provide an estimate you are bound by the provisions in your tariff regarding payment as of the estimate date, until completion of any transaction that results from that estimate, unless otherwise agreed with a shipper under § 375.217(a).

(b) You may accept charge or credit cards whenever shipments are transported under agreements and tariffs requiring payment by cash, certified check, money order, or a cashier's check.

(c) If you allow an individual shipper to pay for a freight or expense bill by charge or credit card, you are deeming such payment to be the same as payment by cash, certified check, money order, or a cashier's check.

(d) The charge or credit card plans you participate in must be identified in your tariff rules as items permitting the acceptance of the charge or credit cards.

(e) If an individual shipper causes a charge or credit card issuer to reverse a charge transaction, you may consider the individual shipper's action tantamount to forcing you to provide an involuntary extension of your credit. In such instances, the rules in § 375.807 apply.

## **Subpart C—Service Options Provided**

### **§ 375.301 What service options may I provide?**

(a) You may design your household goods service to provide individual shippers with a wide range of specialized service and pricing features. Many carriers provide at least the following five service options:

- (1) Space reservation.
- (2) Expedited service.
- (3) Exclusive use of a vehicle.
- (4) Guaranteed service on or between agreed dates.
- (5) Liability insurance.

(b) If you sell liability insurance, you must follow the requirements in § 375.303.

### **§ 375.303 If I sell liability insurance coverage, what must I do?**

(a) You, your employee, or an agent, may sell, offer to sell, or procure liability insurance coverage for loss or damage to shipments of any individual shippers only when the individual shipper releases the shipment for transportation at a value not exceeding 60 cents per pound (\$1.32 per kilogram) per article.

(b) You may offer, sell, or procure any type of insurance policy on behalf of the individual shipper covering loss or damage in excess of the specified carrier liability.

(c) If you sell, offer to sell, or procure liability insurance coverage for loss or damage to shipments:

- (1) You must issue to the individual shipper a policy or other appropriate evidence of the insurance that the individual shipper purchased.

- (2) You must provide a copy of the policy or other appropriate evidence to the individual shipper at the time you sell or procure the insurance.
- (3) You must issue policies written in plain English.
- (4) You must clearly specify the nature and extent of coverage under the policy.
- (5) Your failure to issue a policy, or other appropriate evidence of insurance purchased, to an individual shipper will subject you to full liability for any claims to recover loss or damage attributed to you.
- (6) You must provide in your tariff for the provision of selling, offering to sell, or procuring liability insurance coverage. The tariff must also provide for the base transportation charge, including your assumption for full liability for the value of the shipment. This would be in the event you fail to issue a policy or other appropriate evidence of insurance to the individual shipper at the time of purchase.

### Subpart D—Estimating Charges

#### § 375.401 Must I estimate charges?

- (a) Before you execute an order for service for a shipment of household goods for an individual shipper, you must estimate the total charges in writing. The written estimate must be one of the following two types:
  - (1) A **binding estimate**, an agreement made in advance with your individual shipper. It guarantees the total cost of the move based upon the quantities and services shown on your estimate.
  - (2) A **non-binding estimate**, what you believe the total cost will be for the move, based upon the estimated weight or volume of the shipment and the accessorial services requested. A non-binding estimate is not binding on you. You will base the final charges upon the actual weight of the individual shipper's shipment and the tariff provisions in effect.
- (b) You must specify the form of payment you and your agent will honor at delivery. Payment forms may include, but are not limited to, cash, a certified check, a money order, a cashier's check, a specific charge card such as American Express™, a specific credit card such as Visa™, or your credit as allowed by § 375.807.
- (c) For non-binding estimates, you must provide your reasonably accurate estimate of the approximate costs the individual shipper should expect to pay for the transportation and services of such shipments. If you provide an inaccurately low estimate, you may be limiting the amount you will collect at the time of delivery as provided in § 375.407.
- (d) If you provide a shipper with an estimate based on volume that will later be converted to a weight-based rate, you must provide the shipper an explanation in writing of the formula used to calculate the conversion to weight. You must specify the final charges will be based on actual weight and services subject to the 110 percent rule at delivery.
- (e) You must determine charges for any accessorial services such as elevators, long carries, etc., before preparing the order for service and the bill of lading for binding or non-binding estimates. If you fail to ask the shipper about such charges and fail to determine such charges before preparing the order for service and the bill of lading, you must deliver the goods and bill the shipper after 30 days for the additional charges.
- (f) You and the individual shipper must sign the estimate of charges. You must provide a dated copy of the estimate of charges to the individual shipper at the time you sign the estimate.
- (g) Before loading a household goods shipment, and upon mutual agreement of both you and the individual shipper, you may amend an estimate of charges. You may not amend the estimate after loading the shipment.

### **§ 375.403 How must I provide a binding estimate?**

(a) You may provide a guaranteed binding estimate of the total shipment charges to the individual shipper, so long as it is provided for in your tariff. The individual shipper must pay the amount for the services included in your estimate. You must comply with the following nine requirements:

(1) You must provide a binding estimate in writing to the individual shipper or other person responsible for payment of the freight charges.

(2) You must retain a copy of each binding estimate as an attachment to be made an integral part of the bill of lading contract.

(3) You must clearly indicate upon each binding estimate's face the estimate is binding upon you and the individual shipper. Each binding estimate must also clearly indicate on its face the charges shown are the charges being assessed for only those services specifically identified in the estimate.

(4) You must clearly describe binding estimate shipments and all services you are providing.

(5) If it appears an individual shipper has tendered additional household goods or requires additional services not identified in the binding estimate, you are not required to honor the estimate. If an agreement cannot be reached as to the price or service requirements for the additional goods or services, you are not required to service the shipment. However, if you do service the shipment, before loading the shipment, you must do one of the following three things:

(i) Reaffirm your binding estimate.

(ii) Negotiate a revised written binding estimate listing the additional household goods or services.

(iii) Agree with the individual shipper, in writing, that both of you will consider the original binding estimate as a non-binding estimate subject to § 375.405.

(6) Once you load a shipment, failure to execute a new binding estimate or a nonbonding estimate signifies you have reaffirmed the original binding estimate. You may not collect more than the amount of the original binding estimate.

(7) If you believe additional services are necessary to properly service a shipment after the household goods are in transit, you must inform the individual shipper what the additional services are before performing those services. You must allow the shipper at least one hour to determine whether he/ she wants the additional services performed. If the individual shipper agrees to pay for the additional services, you must execute a written attachment to be made an integral part of the bill of lading contract and have the individual shipper sign the written attachment. This may be done through fax transmissions; e-mail; overnight courier; or certified mail, return receipt requested. You must bill the individual shipper for the additional services after 30 days after delivery. If the shipper does not agree to pay the additional services performed by the carrier after the shipment is picked up, the carrier should perform the additional services as required to complete the delivery and bill the individual shipper for the additional services after 30 days after delivery.

(8) If the individual shipper requests additional services after the household goods are in-transit, you must inform the individual shipper of the additional charges that will be billed. You must require full payment at destination of the original binding estimate only. You must bill for the payment of the balance of any remaining charges for additional services no sooner than 30 days after the date of delivery. For example, if your binding estimate to an individual shipper estimated total charges at delivery as \$1,000, but your actual charges at destination are \$1,500, you must deliver the shipment upon payment of \$1,000. You then must issue freight or expense bills no sooner than 30 days after the date of delivery for the remaining \$500.

(9) Failure to relinquish possession of a shipment upon an individual shipper's offer to pay the binding estimate amount constitutes a failure to transport a shipment with "reasonable dispatch" and subjects you to cargo delay claims pursuant to part 370 of this chapter.

(b) If you do not provide a binding estimate to an individual shipper, you must provide a nonbonding estimate to the individual shipper in accordance with § 375.405.

(c) You must retain a copy of the binding estimate for each move you perform for at least one year from the date you made the estimate and keep it as an attachment to be made an integral part of the bill of lading contract.

### **§ 375.405 How must I provide a non-binding estimate?**

(a) If you do not provide a binding estimate to an individual shipper in accordance with § 375.403, you must provide a non-binding written estimate to the individual shipper.

(b) If you provide a non-binding estimate to an individual shipper, you must provide your reasonably accurate estimate of the approximate costs the individual shipper should expect to pay for the transportation and services of the shipment. You must comply with the following ten requirements:

(1) You must provide reasonably accurate non-binding estimates based upon the estimated weight or volume of the shipment and services required. If you provide a shipper with an estimate based on volume that will later be converted to a weight-based rate, you must provide the shipper an explanation in writing of the formula used to calculate the conversion to weight.

(2) You must explain to the individual shipper final charges calculated for shipments moved on non-binding estimates will be those appearing in your tariffs applicable to the transportation. You must explain to the individual shipper these final charges may exceed the approximate costs appearing in your estimate.

(3) You must furnish non-binding estimates without charge and in writing to the individual shipper or other person responsible for payment of the freight charges.

(4) You must retain a copy of each non-binding estimate as an attachment to be made an integral part of the bill of lading contract.

(5) You must clearly indicate on the face of a non-binding estimate, the estimate is not binding upon you and the charges shown are the approximate charges to be assessed for the services identified in the estimate. The estimate must clearly state that the shipper may not be required to pay more than 110 percent of the non-binding estimate at the time of delivery.

(6) You must clearly describe on the face of a non-binding estimate the entire shipment and all services you are providing.

(7) If it appears an individual shipper has tendered additional household goods or requires additional services not identified in the non-binding estimate, you are not required to honor the estimate. If an agreement cannot be reached as to the price or service requirements for the additional goods or services, you are not required to service the shipment. However, if you do service the shipment, before loading the shipment, you must do one of the following two things:

(i) Reaffirm your non-binding estimate.

(ii) Negotiate a revised written non-binding estimate listing the additional household goods or services.

(8) Once you load a shipment, failure to execute a new non-binding estimate signifies you have reaffirmed the original non-binding estimate. You may not collect more than 110 percent of the amount of the original non-binding estimate at destination.

(9) If you believe additional services are necessary to properly service a shipment after the household goods are in transit, you must inform the individual shipper what the additional services are before performing those services. You must allow the shipper at least one hour to determine whether he/ she wants the additional services performed. If the individual shipper agrees to pay for the additional services, you must execute a written attachment to be made an integral part of the bill of lading contract and have the individual shipper sign the written attachment. This may be done through fax transmissions; e-mail; overnight courier; or certified mail, return receipt requested. You must bill the individual shipper for the additional services after 30 days after delivery. If the shipper does not agree to pay the additional services performed by the carrier after the shipment is picked up, the carrier should perform the

additional services as required to complete the delivery and bill the individual shipper for the additional services after 30 days after delivery.

(10) If the individual shipper requests additional services after the household goods are in-transit, you must inform the individual shipper additional charges will be billed. You may require full payment at destination of no more than 110 percent of the original nonbonding estimate. You must bill for the payment of the balance of any remaining charges after 30 days after delivery. For example, if your non-binding estimate to an individual shipper estimated total charges at delivery as \$1,000, but your actual charges at destination are \$1,500, you must deliver the shipment upon payment of \$1,100 (110 percent of the estimated charges) and forego demanding immediate payment of the balance. You then must issue a freight or expense bill for the remaining \$400 after the 30-day period expires.

(c) If you furnish a non-binding estimate, you must enter the estimated charges upon the order for service and upon the bill of lading.

(d) You must retain a copy of the non-binding estimate for each move you perform for at least one year from the date you made the estimate and keep it as an attachment to be made an integral part of the bill of lading contract.

### **§ 375.407 Under what circumstances must I relinquish possession of a collect-on-delivery shipment transported under a non-binding estimate?**

(a) If an individual shipper pays you at least 110 percent of the approximate costs of a nonbinding estimate on a collect-on-delivery shipment, you must relinquish possession of the shipment at the time of delivery. You must accept the form of payment agreed to at the time of estimate, unless the shipper agrees in writing to a change in the form of payment.

(b) Failure to relinquish possession of a shipment upon an individual shipper's offer to pay 110 percent of the estimated charges constitutes a failure to transport the shipment with "reasonable dispatch" and subjects you to cargo delay claims pursuant to part 370 of this chapter.

(c) You must defer billing for the payment of the balance of any remaining charges for a period of 30 days following the date of delivery. After this 30-day period, you may demand payment of the balance of any remaining charges, as explained in § 375.405.

### **§ 375.409 May household goods brokers provide estimates?**

A household goods broker must not provide an individual shipper with an estimate of charges for the transportation of household goods unless there is a written agreement between the broker and you, the carrier, adopting the broker's estimate as your own estimate. If you make such an agreement with a broker, you must ensure compliance with all requirements of this part pertaining to estimates, including the requirement that you must relinquish possession of the shipment if the shipper pays you 110 percent of a non-binding estimate at the time of delivery.

## **Subpart E—Pick Up of Shipments of Household Goods Before Loading**

### **§ 375.501 Must I write up an order for service?**

(a) Before you receive a shipment of household goods you will move for an individual shipper, you must prepare an order for service. The order for service must contain the information described in the following 15 items:

- (1) Your name and address and the FMCSA U.S. DOT number assigned to the mover who is responsible for performing the service.
- (2) The individual shipper's name, address and, if available, telephone number(s).
- (3) The name, address, and telephone number of the delivering mover's office or agent located at or nearest to the destination of the shipment.
- (4) A telephone number where the individual shipper/consignee may contact you or your designated agent.
- (5) One of the following three entries must be on the order for service:

- (i) The agreed pickup date and agreed delivery date of the move.
- (ii) The agreed period(s) of the entire move.
- (iii) If you are transporting the shipment on a guaranteed service basis, the guaranteed dates or periods for pickup, transportation, and delivery. You must enter any penalty or per diem requirements upon the agreement under this item.

(6) The names and addresses of any other motor carriers, when known, who will participate in interline transportation of the shipment.

(7) The form of payment you and your agents will honor at delivery. The payment information must be the same that was entered on the estimate.

(8) The terms and conditions for payment of the total charges, including notice of any minimum charges.

(9) The maximum amount you will demand at the time of delivery to obtain possession of the shipment, when you transport on a collect-on-delivery basis.

(10) The Surface Transportation Board's required released rates valuation statement, and the charges, if any, for optional valuation coverage. The released rates may be increased annually by the carrier based on the Department of Commerce's Cost of Living Adjustment.

(11) A complete description of any special or accessorial services ordered and minimum weight or volume charges applicable to the shipment, subject to the following two conditions:

- (i) If you provide service for individual shippers on rates based upon the transportation of a minimum weight or volume, you must indicate on the order for service the minimum weight- or volume-based rates, and the minimum charges applicable to the shipment.
- (ii) If you do not indicate the minimum rates and charges, your tariff must provide you will compute the final charges relating to such a shipment based upon the actual weight or volume of the shipment.

(12) Any identification or registration number you assign to the shipment.

(13) *For non-binding estimates*, your reasonably accurate estimate of the amount of the charges, the method of payment of total charges, and the maximum amount (no more than 110 percent of the non-binding estimate) you will demand at the time of delivery to relinquish possession of the shipment.

(14) *For binding estimates*, the amount of charges you will demand based upon the binding estimate and the terms of payment under this estimate.

(15) Whether the individual shipper requests notification of the charges before delivery. The individual shipper must provide you with the fax number(s) or address(s) where you will transmit the notification by fax transmission; e-mail; overnight courier; or certified mail, return receipt requested.

(b) You, your agent, or your driver must inform the individual shipper if you reasonably expect a special or accessorial service is necessary to safely transport a shipment. You must refuse to accept the shipment when you reasonably expect a special or accessorial service is necessary to safely transport a shipment and the individual shipper refuses to purchase the special or accessorial service. You must make a written note if the shipper refuses any special or accessorial services that you reasonably expect to be necessary.

(c) You and the individual shipper must sign the order for service. You must provide a dated copy of the order for service to the individual shipper at the time you sign the order.

(d)

(1) You may provide the individual shipper with blank or incomplete estimates, orders for service, bills of lading, or any other blank or incomplete documents pertaining to the move.

(2) You may require the individual shipper to sign an incomplete document at origin provided it contains all relevant shipping information except the actual weight and any other information necessary to determine the final charges for all services performed.

(e) You must provide the individual shipper the opportunity to rescind the order for service without any penalty for a three-day period after the shipper signs the order for service, if the shipper scheduled the shipment to be loaded more than three days after signing the order.

- (f) Before loading the shipment, and upon mutual agreement of both you and the individual shipper, you may amend an order for service.
- (g) You must retain a copy of the order for service for each move you perform for at least one year from the date you made the order for service and keep it as an attachment to be made an integral part of the bill of lading contract.
- (h) You have the option of placing the valuation statement on either the order for service or the bill of lading, provided the order for service or bill of lading states the appropriate valuation selected by the shipper.

### **§ 375.503 Must I write up an inventory?**

- (a) You must prepare a written, itemized inventory for each shipment of household goods you transport for an individual shipper. The inventory must identify every carton and every uncartoned item that is included in the shipment. When you prepare the inventory, an identification number that corresponds to the inventory must be placed on each article that is included in the shipment.
- (b) You must prepare the inventory before or at the time of loading in the vehicle for transportation in a manner that provides the individual shipper with the opportunity to observe and verify the accuracy of the inventory if he or she so requests.
- (c) You must furnish a complete copy of the inventory to the individual shipper before or at the time of loading the shipment. A copy of the inventory, signed by both you and the individual shipper, must be provided to the shipper, together with a copy of the bill of lading, before or at the time you load the shipment.
- (d) Upon delivery, you must provide the individual shipper with the opportunity to observe and verify that the same articles are being delivered and the condition of those articles. You must also provide the individual shipper the opportunity to note in writing any missing articles and the condition of any damaged or destroyed articles. In addition, you must also provide the shipper with a copy of all such notations.
- (e) You must retain inventories for each move you perform for at least one year from the date you made the inventory and keep it as an attachment to be made an integral part of the bill of lading contract.

### **§ 375.505 Must I write up a bill of lading?**

- (a) You must issue a bill of lading. The bill of lading must contain the terms and conditions of the contract. A bill of lading may be combined with an order for service to include all the items required by § 375.501 of this subpart. You must furnish a partially complete copy of the bill of lading to the individual shipper before the vehicle leaves the residence at origin. The partially complete bill of lading must contain all relevant shipment information, except the actual shipment weight and any other information necessary to determine the final charges for all services performed.
- (b) On a bill of lading, you must include the following 14 items:
  - (1) Your name and address, or the name and address of the motor carrier issuing the bill of lading.
  - (2) The names and addresses of any other motor carriers, when known, who will participate in transportation of the shipment.
  - (3) The name, address, and telephone number of your office (or the office of your agent) where the individual shipper can contact you in relation to the transportation of the shipment.
  - (4) The form of payment you and your agents will honor at delivery. The payment information must be the same that was entered on the estimate and order for service.
  - (5) When you transport on a collect-on-delivery basis, the name, address, and if furnished, the telephone number, facsimile number, or e-mail address of a person to notify about the charges. The notification may also be made by overnight courier or certified mail, return receipt requested.
  - (6) For **non-guaranteed service**, the agreed date or period of time for pickup of the shipment and the agreed date or period of time for the delivery of the shipment. The agreed dates or

periods for pickup and delivery entered upon the bill of lading must conform to the agreed dates or periods of time for pickup and delivery entered upon the order for service or a proper amendment to the order for service.

(7) For **guaranteed service**, subject to tariff provisions, the dates for pickup and delivery, and any penalty or per diem entitlements due the individual shipper under the agreement.

8) The actual date of pickup.

(9) The company or carrier identification number of the vehicle(s) upon which you load the individual shipper's shipment.

(10) The terms and conditions for payment of the total charges, including notice of any minimum charges.

(11) The maximum amount you will demand at the time of delivery to obtain possession of the shipment, when you transport under a collect-on-delivery basis.

(12) The Surface Transportation Board's required released rates valuation statement, and the charges, if any, for optional valuation coverage. The released rates may be increased annually by the carrier based on the Department of Commerce's Cost of Living Adjustment.

(13) Evidence of any insurance coverage sold to or procured for the individual shipper from an independent insurer, including the amount of the premium for such insurance.

(14) Each attachment to the bill of lading. Each attachment is an integral part of the bill of lading contract. If not provided elsewhere to the shipper, the following three items must be added as an attachment to the bill of lading:

(i) The binding or non-binding estimate.

(ii) The order for service.

(iii) The inventory.

(c) A copy of the bill of lading must accompany a shipment at all times while in your (or your agent's) possession. Before the vehicle leaves the residence at origin, the bill of lading must be in the possession of the driver responsible for the shipment.

(d) You must retain bills of lading for each move you perform for at least one year from the date you created the bill of lading.

(e) You have the option of placing the valuation statement on either the order for service or the bill of lading, provided the order for service or bill of lading states the appropriate valuation selected by the shipper.

## **Weighing the Shipment**

### **§ 375.507 Must I determine the weight of a shipment?**

(a) When you transport household goods on a non-binding estimate dependent upon the shipment weight, you must determine the weight of each shipment transported before the assessment of any charges.

(b) You must weigh the shipment upon a certified scale.

(c) You must provide a written explanation of volume to weight conversions, when you provide an estimate by volume and convert the volume to weight.

### **§ 375.509 How must I determine the weight of a shipment?**

(a) You must weigh the shipment by using one of the following two methods:

(1) **First method—origin weigh.** You determine the difference between the tare weight of the vehicle before loading at the origin of the shipment and the gross weight of the same vehicle after loading the shipment.

(2) **Second method—back weigh.** You determine the difference between the gross weight of the vehicle with the shipment loaded and the tare weight of the same vehicle after you unload the shipment.

(b) The following three conditions must exist for both the tare and gross weighings:

- (1) The vehicle must have installed or loaded all pads, dollies, hand trucks, ramps, and other equipment required in the transportation of the shipment.
- (2) The driver and other persons must be off the vehicle at the time of either weighing.
- (3) The fuel tanks on the vehicle must be full at the time of each weighing, or, in the alternative, when you use the *first method—origin weigh*, in paragraph (a)(1) of this section, where the tare weighing is the first weighing performed, you must refrain from adding fuel between the two weighings.

(c) You may detach the trailer of a tractor-trailer vehicle combination from the tractor and have the trailer weighed separately at each weighing provided the length of the scale platform is adequate to accommodate and support the entire trailer at one time.

(d) You must use the net weight of shipments transported in containers. You must calculate the difference between the tare weight of the container (including all pads, blocking and bracing used in the transportation of the shipment) and the gross weight of the container with the shipment loaded in the container.

### **§ 375.511 May I use an alternative method for shipments weighing 3,000 pounds or less?**

For shipments weighing 3,000 pounds or less (1,362 kilograms or less), you may weigh the shipment upon a platform or warehouse certified scale before loading for transportation or after unloading.

### **§ 375.513 Must I give the individual shipper an opportunity to observe the weighing?**

You must give the individual shipper or any other person responsible for the payment of the freight charges the right to observe all weighings of the shipment. You must advise the individual shipper, or any other person entitled to observe the weighings, where and when each weighing will occur. You must give the person who will observe the weighings a reasonable opportunity to be present to observe the weighings.

### **§ 375.515 May individual shippers waive his/her right to observe each weighing?**

(a) If an individual shipper elects not to observe a weighing, the shipper is presumed to have waived that right.

(b) If an individual shipper elects not to observe a re-weighing, the shipper must waive that right in writing. The individual shipper may send the waiver notification via fax transmission; e-mail; overnight courier; or certified mail, return receipt requested.

(c) Waiver of the right to observe a weighing or re-weighing does not affect any other rights of the individual shipper under this part or otherwise.

### **§ 375.517 May an individual shipper demand re-weighing?**

After you inform the individual shipper of the billing weight and total charges and before actually beginning to unload a shipment weighed at origin (*first method* under § 375.509(a)(1)), the individual shipper may demand a reweigh. You must base your freight bill charges upon the reweigh weight.

### **§ 375.519 Must I obtain weight tickets?**

(a) You must obtain weight tickets whenever we require you to weigh the shipment in accordance with this subpart. You must obtain a separate weight ticket for each weighing. The weigh master must sign each weight ticket. Each weight ticket must contain the following six items:

- (1) The complete name and location of the scale.
- (2) The date of each weighing.
- (3) The identification of the weight entries as being the tare, gross, or net weights.
- (4) The company or carrier identification of the vehicle.
- (5) The last name of the individual shipper as it appears on the bill of lading.
- (6) The carrier's shipment registration or bill of lading number.

(b) When both weighings are performed on the same scale, one weight ticket may be used to record both weighings.

(c) As part of the file on the shipment, you must retain the original weight ticket or tickets relating to the determination of the weight of a shipment.

(d) All freight bills you present to an individual shipper must include true copies of all weight tickets obtained in the determination of the shipment weight in order to collect any shipment charges dependent upon the weight transported.

**§ 375.521 What must I do if an individual shipper wants to know the actual weight or charges for a shipment before I tender delivery?**

(a) If an individual shipper of a shipment being transported on a collect-on-delivery basis specifically requests notification of the actual weight or volume and charges on a shipment, you must comply with this request. This requirement is conditioned upon the individual shipper supplying you with an address or telephone number where the individual shipper will receive the communication. You must make your notification by telephone; in person; fax transmission; email; overnight courier; or certified mail, return receipt requested.

(b) The individual shipper must receive your notification at least one full 24-hour day before any tender of the shipment for delivery, excluding Saturdays, Sundays and Federal holidays.

(c) You may disregard the 24-hour notification requirement on shipments in any one of the following three circumstances:

(1) The shipment will be back weighed (*i.e.*, weighed at destination).

(2) Pickup and delivery encompass two consecutive weekdays, if the individual shipper agrees.

(3) The shipment is moving under a non-binding estimate and the maximum payment required at time of delivery is 110 percent of the estimated charges, but only if the individual shipper agrees to waive the 24-hour notification requirement.

**Subpart F—Transportation of Shipments**

**§ 375.601 Must I transport the shipment in a timely manner?**

Yes. Transportation in a timely manner is also known as “reasonable dispatch service.” You must provide reasonable dispatch service to all individual shippers, except for transportation on the basis of guaranteed pickup and delivery dates.

**§ 375.603 When must I tender a shipment for delivery?**

You must tender a shipment for delivery for an individual shipper on the agreed delivery date or within the period specified on the bill of lading. Upon the request or concurrence of the individual shipper, you may waive this requirement.

**§ 375.605 How must I notify an individual shipper of any service delays?**

(a) When you are unable to perform either the pickup or delivery of a shipment on the dates or during the periods specified in the order for service and as soon as the delay becomes apparent to you, you must notify the individual shipper of the delay, at your expense, in one of the following six ways:

(1) By telephone.

(2) In person.

(3) Fax transmission

(4) E-mail.

(5) Overnight courier.

(6) Certified mail, return receipt requested.

(b) You must advise the individual shipper of the dates or periods you expect to be able to pick up and/or deliver the shipment. You must consider the needs of the individual shipper in your advisement. You also must do the following four things:

(1) You must prepare a written record of the date, time, and manner of notification.

(2) You must prepare a written record of your amended date or period for pickup or delivery.

(3) You must retain these records as a part of your file on the shipment. The retention period is one year from the date of notification.

(4) You must furnish a copy of the notice to the individual shipper by first class mail or in person if the individual shipper requests a copy of the notice.

**§ 375.607 What must I do if I am able to tender a shipment for final delivery more than 24 hours before a specified date?**

(a) You may ask the individual shipper to accept an early delivery date. If the individual shipper does not concur with your request or the individual shipper does not request an early delivery date, you may, at your discretion, place a shipment in storage under your own account and at your own expense in a warehouse located near the destination of the shipment. If you place the shipment in storage, you must comply with paragraph (b) of this section. You may comply with paragraph (c) of this section, at your discretion.

(b) You must immediately notify the individual shipper of the name and address of the warehouse where you place the shipment. You must make and keep a record of your notification as a part of your shipment records. You have responsibility for the shipment under the terms and conditions of the bill of lading. You are responsible for the charges for redelivery, handling, and storage until you make final delivery.

(c) You may limit your responsibility under paragraph (b) of this section up to the agreed delivery date or the first day of the period of time of delivery as specified in the bill of lading.

**§ 375.609 What must I do for shippers who store household goods in transit?**

(a) If you are holding goods for storage-in-transit (SIT) and the period of time is about to expire, you must comply with this section.

(b) You must notify the individual shipper, in writing of the following four items:

(1) The date of conversion to permanent storage.

(2) The existence of a nine-month period after the date of conversion to permanent storage when the individual shipper may file claims against you for loss or damage occurring to the goods in transit or during the storage-in-transit period.

(3) The fact your liability is ending.

(4) The fact the individual shipper's property will be subject to the rules, regulations, and charges of the warehouseman.

(c) You must make this notification at least 10 days before the expiration date of either one of the following two periods:

(1) The specified period of time when the goods are to be held in storage.

(2) The maximum period of time provided in your tariff for storage-in-transit.

(d) You must notify the individual shipper by facsimile transmission; e-mail; overnight courier; or certified mail, return receipt requested.

(e) If you are holding household goods in storage-in-transit for a period of time less than 10 days, you must give notification to the individual shipper of the information specified in paragraph (b) of this section one day before the expiration date of the specified time when the goods are to be held in such storage.

(f) You must maintain a record of notifications as part of the records of the shipment.

(g) Your failure or refusal to notify the individual shipper will automatically effect a continuance of your carrier liability according to the applicable tariff provisions with respect to storage-intransit, until the end of the day following the date when you actually gave notice.

**Subpart G—Delivery of Shipments**

**§ 375.701 May I provide for a release of liability on my delivery receipt?**

(a) Your delivery receipt or shipping document must not contain any language purporting to release or discharge you or your agents from liability.

(b) The delivery receipt may include a statement the property was received in apparent good condition except as noted on the shipping documents.

**§ 375.703 What is the maximum collect-on-delivery amount I may demand at the time of delivery?**

- (a) On a binding estimate, the maximum amount is the exact estimate of the charges.  
(b) On a non-binding estimate, the maximum amount is 110 percent of the non-binding estimate of the charges.

**§ 375.705 If a shipment is transported on more than one vehicle, what charges may I collect at delivery?**

- (a) At your discretion, you may do one of the following three things:
- (1) You may defer the collection of all charges until you deliver the entire shipment.
  - (2) If you have determined the charges for the entire shipment, you may collect charges for the portion of the shipment tendered for delivery. You must determine the percentage of the charges for the entire shipment represented by the portion of the shipment tendered for delivery.
  - (3) If you cannot reasonably calculate the charges for the entire shipment, you must determine the charges for the portion of the shipment being delivered. You must collect this amount. The total charges you assess for the transportation of the separate portions of the shipment must not be more than the charges due for the entire shipment.
- (b) In the event of the loss or destruction of any part of a shipment transported on more than one vehicle, you must collect the charges as provided in § 375.707.

**§ 375.707 If a shipment is partially lost or destroyed, what charges may I collect at delivery?**

- (a) If a shipment is partially lost or destroyed, you may first collect your freight charges for the entire shipment, if you choose. If you do this, you must refund the portion of your published freight charges corresponding to the portion of the lost or destroyed shipment (including any charges for accessorial or terminal services), at the time you dispose of claims for loss, damage, or injury to the articles in the shipment under part 370 of this chapter.
- (b) To calculate the amount of charges applicable to the shipment as delivered, you must multiply the percentage corresponding to the delivered shipment by the total charges applicable to the shipment tendered by the individual shipper. The following four conditions also apply:
- (1) If the charges computed exceed the charges otherwise applicable to the shipment as delivered, the lesser of those charges must apply. This will apply only to the transportation of household goods and not to charges for other services the individual shipper ordered.
  - (2) You must collect any specific valuation charge due.
  - (3) You may disregard paragraph (a) of this section if loss or destruction was due to an act or omission of the individual shipper.
  - (4) You must determine, at your own expense, the proportion of the shipment, based on actual or constructive weight, not lost or destroyed in transit.
- (c) The individual shipper's rights are in addition to, and not in lieu of, any other rights the individual shipper may have with respect to a shipment of household goods you or your agent(s) partially lost or destroyed in transit. This applies whether or not the individual shipper exercises its rights provided in paragraph (a) of this section.

**§ 375.709 If a shipment is totally lost or destroyed, what charges may I collect at delivery?**

- (a) You are forbidden from collecting, or requiring an individual shipper to pay, any freight charges (including any charges for accessorial or terminal services) when a household goods shipment is *totally lost or destroyed* in transit. The following two conditions also apply:
- (1) You must collect any specific valuation charge due.

(2) You may disregard paragraph (a) of this section if loss or destruction was due to an act or omission of the individual shipper.

(b) The individual shipper's rights are in addition to, and not in lieu of, any other rights the individual shipper may have with respect to a shipment of household goods you or your agent(s) totally lost or destroyed in transit. This applies whether or not the individual shipper exercises its rights provided in paragraph (a) of this section.

## **Subpart H—Collection of Charges**

### **§ 375.801 What types of charges apply to subpart H?**

This subpart applies to all shipments of household goods that:

- (a) Entail a balance due freight or expense bill, or
- (b) Are transported on an extension of credit basis.

### **§ 375.803 How must I present my freight or expense bill?**

You must present your freight or expense bill in accordance with § 375.807 of this subpart.

### **§ 375.805 If I am forced to relinquish a collect-on-delivery shipment before the payment of ALL charges, how do I collect the balance?**

On "collect-on-delivery" shipments, you must present your freight bill for all transportation charges within 15 days as required by § 375.807.

### **§ 375.807 What actions may I take to collect the charges upon my freight bill?**

(a) You must present a freight bill within 15 days (excluding Saturdays, Sundays, and Federal holidays) of the date of delivery of a shipment at its destination.

(b) The credit period must be seven days (excluding (*sic*)\* Saturdays, Sundays, and Federal holidays).

(c) You must provide in your tariffs the following four things:

(1) You must automatically extend the credit period to a total of 30 calendar days for any shipper who has not paid your freight bill within the 7-day period.

(2) You will assess a service charge to each individual shipper equal to one percent of the amount of the freight bill, subject to a \$20 minimum charge, for the extension of the credit period. You will assess the service charge for each 30-day extension the charges go unpaid.

(3) You must deny credit to any shipper who fails to pay a duly presented freight bill within the 30-day period. You may grant credit to the individual shipper when the individual shipper satisfies he/she will promptly pay all future freight bills duly presented.

(4) You must ensure all payments of freight bills are strictly in accordance with the rules and regulations of this part for the settlement of your rates and charges.