

## **Full Replacement Value (FRV) Reimbursement for Damaged Household Goods Fort Bragg Claims Office Press Release**

Effective in 1 October 2007, DoD Customers (Service Members and Department of Defense Civilians) will be eligible for Full Replacement Value (FRV) protection on most DoD funded personal property shipments. FRV coverage will apply to personal property shipments with a pickup date on or after: 1 October 2007 for International shipments (to / from OCONUS); 1 November 2007 for Domestic shipments (within CONUS); 1 March 2008 for Non-Temporary Storage (NTS) shipments; and 1 March 2008 for Local Move / Direct Procurement Method (DPM) shipments.

**Bottom Line: Claimants may obtain greater reimbursement for their damaged or lost household goods if they file directly with the carrier within 9 months of delivery.**

### FILING YOUR CLAIM WITH THE CARRIER

Under the FRV program, if you file your claim directly with the carrier within 9 months of delivery, the carrier will settle the claim by repairing or paying to repair damaged items. For items that are lost or cannot be repaired, the carrier will either replace the item with a new item, or pay the full, non-depreciated replacement cost. A few large items, such as pianos, organs, ATVs, personal watercraft, vehicles and motorcycles, as well as firearms and objects of art are not covered by FRV. Reimbursement for these items will be based on their depreciated value. Likewise, the carrier cannot replace some missing items with new ones because of their rarity, such as collectible figurines, antiques, collectible plates, baseball cards, comic books, and coin and stamp collections. In order for these items to be covered under the FRV, you must have listed them as High Value/Risk Items with the carrier prior to the move. See note 12 of the FRV Checklist given to you by the Transportation Office. Otherwise, reimbursement for each high value item is limited to \$100 per pound.

On full replacement value claims, the carrier is liable for the greater of \$5,000 per shipment or \$4.00 times the net weight of the shipment (in pounds), up to a maximum limit of \$50,000. If you believe the full replacement value of your property is more than \$50,000, you may be able to obtain additional FRV coverage at your own expense from a private insurance company or from the carrier, if the carrier offers additional coverage. Please ask the transportation office about obtaining additional insurance coverage. In addition, if you file your claim directly with the carrier within 9 months of delivery, the carrier will be responsible for obtaining all repair and replacement costs.

If you file your claim directly with the carrier more than 9 months after delivery, the carrier will only pay the depreciated replacement cost or repair cost, whichever is less. Also, you will be responsible for obtaining repair or replacement estimates and reimbursement is capped at \$1.25 times the weight of the shipment. For example, if you filed a claim on a 10,000 pound shipment 10 months after delivery, reimbursement is capped at than \$12,500.

Finally, if you file your claim directly with the carrier, you will have to file your claim by mail. You should send claims to the carrier by certified mail so that you have a record of the date on which you submitted the claim. Once the carrier receives your claim, it will have up to 60 days to pay, deny or make a final written offer. Once you have settled the claim, the carrier will have 30 days to make the payment.

### FILING YOUR CLAIM WITH THE MILITARY CLAIMS OFFICE

You may still file your claims directly with the Fort Bragg claims office. However, if you do, you will give up your right to have the carrier settle your claim on the basis of full replacement value. The Fort Bragg claims office will settle your claim by paying the depreciated replacement or repair cost, whichever is less. This remains as the current method of reimbursement by the military claims office.

However, in most cases you will be able to obtain more value for less effort if you file directly with the carrier within 9 months of delivery. The Fort Bragg claims office is available to assist you in filing your claims and DD Forms 1840R with the carrier, and can advise you on whether an offer from the carrier is a fair offer.

If you file your claim directly with the carrier within 9 months of delivery and you are not satisfied with the carrier's final offer, or if you do not receive a final offer within 30 days, you may transfer your claim to the Fort Bragg claims office. However, the Army may not be able to reimburse you for the full replacement value. On transferred FRV claims, the Army will pay you the depreciated replacement cost or repair cost, as it has always done, and then try and recover the full replacement value from the carrier. Once the Army has recovered the full replacement value from the carrier, the Army will then pay you the difference between what it recovered from the carrier and the amount it has already paid you.

### NOTICE OF LOSS OR DAMAGE

Providing prompt notice of loss and damage will still be an essential part of the new claims process, whether you file your claim directly with the carrier within 9 months to get FRV, or file it with the military claims office.

You must ensure the carrier's delivery agent lists all losses and damages discovered at delivery on the DD Form 1840. Any loss or damage discovered after delivery must be listed on the DD Form 1840R (listing all damage discovered AFTER delivery) and either mailed directly to the carrier within 75 days of delivery (preferably certified mail) or submitted to the Fort Bragg claims office within 70 days of delivery so that the claims office can dispatch it to the carrier on your behalf within the 75 day limit. Submitting the DD Form 1840R merely gives the carrier notice that you may submit a claim, it is not the same as filing a claim

The carrier has the right to inspect the damaged items once it receives the notice forms. Normally the carrier will arrange to inspect your goods within 45 days of receipt of the DD Form

1840R, but it has the right to inspect damaged items up until the claim is finally settled. Please cooperate with the carrier in arranging a time for such inspections.

Remember, although there is no additional cost to the Customer for FRV coverage under the new program, you must file your claim directly with the carrier within 9 months of delivery to receive FRV. This is in addition to filing the DD Form 1840R within 75 days of delivery.

Finally, whether you file directly with the carrier or with a military claims office, you must file your claim within 2 years of delivery. This 2 year statute of limitation is mandated by law and cannot be waived by the Army. The law, however, recognizes some very limited exceptions to this 2 year limitation, mainly for demonstrated "good cause" related to war. Please be aware that exceptions are very rarely recognized.

When your goods are delivered, the carrier will give you instruction on where to mail your claim if you want to file it directly with the carrier. The carrier will also tell you what information you must submit with your claim. The carrier will use the DD Form 1844 to list each item that was lost or damaged. Alternatively, you may mail or hand-carry your claim to the Fort Bragg claims office, if you want to file directly with the military. If you need assistance in filing with the carrier, you can also call or visit the claims office.

The Fort Bragg Claims Division is located in the Soldier Support Center, 1<sup>st</sup> Floor, Wing D, Building 4-2843, Normandy Drive.

#### HOURS OF OPERATION:

Monday, Tuesday, Thursday, & Friday

0900 to 1630 hrs

Wednesday

1300 to 1630 hrs

The Claims Division is closed for federal holidays and XVIII ABN CORPS training holidays.

For questions, please contact us at (910) 396-7505, Fax (910) 643-3977, or by email: [usarmy.bragg.xviiiith-abn-corps.mbx.xviii-abc-claims-mai@mail.mil](mailto:usarmy.bragg.xviiiith-abn-corps.mbx.xviii-abc-claims-mai@mail.mil)

Our Mailing Address is:

Office of the Staff Judge Advocate  
ATTN: AFZA-JA (Claims Division)  
2175 Reilly Road, Stop A  
Fort Bragg, NC 28310-5000

## ***FILING A CLAIM***

### ***FACTS AND QUESTIONS***

#### **WHAT IS THE FIRST STEP I SHOULD TAKE IN FILING MY CLAIM?**

The most important document you need to be concerned with is the DD Form 1840/1840R (Pink Form). You must document all damages on this form and dispatch it to the carrier within 75 days of the delivery date.

#### **HOW DO I DISPATCH THE DD FORM 1840/1840R FORM TO THE CARRIER?**

You can take this form to your nearest military claims office (see attached list). If you do so, please make sure you receive a copy of the dispatched form from that claims office.

You can mail the form to the carrier yourself. You would mail it to the carrier listed in block 9 of this form. If you do this, mail it certified mail and keep the certified stub.

You can fax the form to the carrier. If you do this, keep a copy of your cover sheet showing it was sent and received on that date.

**IT IS EXTREMELY IMPORTANT TO MAKE SURE THE POSTMARK ON THIS FORM IS WITHIN THE 75 DAYS OF YOUR DELIVERY DATE.**

#### **HOW DO I KNOW IF I FILE WITH THE CARRIER OR WITH THE ARMY?**

If your goods were picked up on or after *1 October 2007* for *International Household Good (HHG) and Unaccompanied Baggage (UB) shipments*, or after *1 November 2007* for *Domestic HHG*, and a pick-up date on or after *1 March 2008* for *Non-Temporary Storage (NTS), Direct Procurement Method (DPM) (local moves, intra-theater)*. **You will file directly with the carrier.**

If you HHG were picked up before these dates, you will file with a **military claims office.**

#### **DO I HAVE A CHOICE IN FILING WITH THE CARRIER OR THE ARMY IF MY HHG WERE PICKED UP DURING THE DATE THE NEW FRV PROGRAM WENT INTO EFFECT?**

Yes

**WHAT ARE THE DIFFERENCES OF FILING WITH THE CARRIER OR THE ARMY IF MY HHG WERE DELIVERED WITHIN THE DATES OF THE NEW FRV PROGRAM?**

**FILING WITH THE CARRIER:**

- You must file your claim directly with the carrier (TSP) within 9 months of delivery.

- If you file your claim with the TSP within **9 months of delivery**, they are required to replace any item that is lost or destroyed beyond repair with a new item, or pay the cost of a new item of the same kind and quality, without deducting depreciation.

The TSP is not required to replace items that can be repaired to its pre-move condition and would be less than the Full Replacement Value of the item. The TSP is only required to arrange for the repair of those items, or to pay for the cost of repairs.

**FILING WITH THE ARMY:**

- You must file your claim within **2 years of delivery**. The Army will pay you depreciated replacement cost for any items lost or destroyed beyond repair.

- For items that are repairable, you will be responsible for obtaining a repair estimate and you will be compensated the repair cost or replacement cost whichever is less.

**WHAT STEPS DO I TAKE TO FILE WITH THE CARRIER?**

Contact the carrier and they will provide you claim forms and instructions.

**WHAT STEPS DO I TAKE TO FILE WITH THE ARMY?**

If your claim falls under the FRV Program and you still decide to file your claim with the Army instead of the carrier, you will need to sign the attached Waiver Form which waives your right to full replacement value and that you elect to have the Army settle your claim based on the depreciated value of your goods.

**WHAT IF I FILE WITH THE CARRIER, BUT AM NOT SATISFIED WITH THEIR SETTLEMENT?**

You can accept settlement for the items you do agree with the carrier's settlement and not accept settlement for those items you disagree with. You then can file a claim with the Army for those items you did not accept the carrier's settlement.

If you disagree in whole with the carrier's settlement, **DO NOT CASH** the settlement check and return it to the carrier. You then can file your claim with the Army.

**\*\*\*SEE ATTACHED INSTRUCTIONAL PACKET, WAIVER FORM, AND LIST OF CLAIMS OFFICE FOR ADDITIONAL GUIDANCE ON FILING YOUR CLAIM.\*\*\***

**CLAIMS FOR FULL REPLACEMENT VALUE (FRV) COVERAGE COUNSELING  
CHECKLIST AND MEMBER/EMPLOYEE INFORMATION**

FRV applies to shipments with a pick-up date on or after 1 October 2007 for International Household Good (HHG) and Unaccompanied Baggage (UB) shipments, a pick-up date on or after 1 November 2007 for Domestic HHG, and a pick-up date on or after 1 March 2008 for Non-Temporary Storage (NTS), Direct Procurement Method (DPM) (local moves, intra-theater). Some domestic and international shipments may be moved under a non-FRV DPM contract between 1 October 2007 and 1 March 2008.

**1.. FRV For Lost or Destroyed Items.**

- To have your claim paid on the basis of FRV you **MUST** file your claim directly with the transportation service provider (TSP) within 9 months of delivery.
- If you file your claim with the (TSP) within 9 months of delivery, the TSP is **REQUIRED** to replace any item that is lost or destroyed with a new item, or pay the cost of a new item of the same kind and quality, without deducting for depreciation.
- The TSP is not required to replace items which can be repaired for less than the Full Replacement Value of the item.
- The TSP is only required to arrange for the repair of those items, or to pay for the cost of the repairs.
- Repair will be to the extent necessary to restore the item to its condition when it was received by the TSP.
- An item is considered destroyed if it cannot be repaired, or if the cost of repair would exceed cost of a new item.

**2. Timely Notice.**

- Loss of damage to an item **MUST** be reported to the TSP within 75 days of the date of delivery.
- The TSP **MUST** lists all missing or damaged items that are discovered on the day of delivery on DD Form 1840, which you will also sign. Three (3) copies of this form will be left with you by the TSP.
- Items discovered missing or damaged **AFTER** delivery **MUST** be listed on the reverse side of the DD Form 1840, known as the DD Form 1840R, and faxed or mailed to the TSP within 75 days after delivery. If mailed, send it to the address in block 9 on the DD Form 1840 side of the form by certified mail. If faxed, keep a copy of the delivery message. Alternatively, the DD Form 1840R may be taken to the nearest military claims office within 70 days after delivery and the military claims office will dispatch it to the TSP for you.

### **3. Claim Must Be Filed Within 9 Months to Receive FRV.**

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- Submission of a DD form 1840R **does not constitute** the filing of a claim. You **MUST** submit a written demand for a specific amount to the TSP within 9 months after the delivery date. The claim **MUST** list each item that was lost or damaged and give a general description of the damage.
  - The TSP will provide instructions on how to file a claim. Be sure to keep a copy of what you send to the TSP and send your claim by certified mail.
  - You do not need to obtain estimates of repair in order to file your claim. The TSP is responsible for obtaining estimates, if you file your claim directly with the carrier within 9 months of delivery. You may not be reimbursed for any estimate fees on estimates you obtain without the TSP's express request for you to do so.
  - Do not delay filing your claim past the nine month deadline in order to get additional information you think the TSP may need. If your claim has been timely filed, additional information may be presented at a later time.

### **4. Limits of Liability.**

- The TSP's maximum liability on a shipment is \$5,000 or \$4 per pound times the weight of the shipment, whichever is greater, but not more than \$50,000.
- If the amount of your loss exceeds the TSP's maximum liability, you may file a claim with a military claims office for any loss in excess of the carrier's payment. However, the military claims office can only pay the depreciated replacement value or repair cost, whichever is less, for those items for which the carrier did not pay. In the alternative, you may try to purchase FRV coverage from a private insurance company to cover potential losses in excess of \$50,000.
- A TSP is liable for only \$1.25 per pound times the weight of your shipment, if you do not file your claim with the TSP within 9 months of delivery.

### **5. Settlement of Loss and Damage Claims.**

- The TSP shall pay, deny, or make an offer within 60 days of receipt of a complete, substantiated claim.
- The TSP will complete payment to the owner within 30 days of receipt of notice that the owner has accepted a full or partial settlement.
- You may still file your claim directly with a military claims office, but if you do, you give up your right to FRV. The military claims offices do not have the authority to settle claims on the basis of FRV.
- You may transfer all or part of your claim to a military claims office if you are dissatisfied with the TSP's handling of your claim. However, you may not transfer your claim until the TSP has made a final offer, or more than 30 days have elapsed since you filed your claim.

- If you transfer your claim to a military claims office after filing directly with a TSP within 9 months, the military claims office will pay your claim on the basis of depreciated value or repair cost, whichever is less. The military claims office will then try to recover the FRV from the TSP. If the military claims office recovers more from the TSP than it paid you, the military claims office will send you the difference between what it paid you and what it recovered from the TSP.

## **6. Partial Settlements.**

If you cannot reach a military acceptable settlement authority with the TSP on part of your claim, you can accept payment from the TSP on those items on which you and the TSP have reached agreement. The TSP will pay you on the items on which you have reached an agreement. You may transfer any unsettled portions of the claim to a military claims office.

## **7. Quick Claims.**

- The TSP may establish a quick claim settlement procedure to quickly resolve and pay claims for minor loss or damage discovered at the time of delivery.
- Quick claims over payment for less than \$400 with payment made within 5 days of delivery.
- The process of settling and paying such claim will be left to the discretion of each TSP. The quick claim must specifically list the items and the damage for which payment is being made.
- If you receive a quick claim settlement and then file an additional claim, the additional claim may not include items that were settled through the quick claim process.

## **8. Inspection of Items by the TSP.**

- The TSP may inspect the damaged items at any time prior to settlement of the claim, but may not deny a claim solely on the basis that it was unable to inspect any item.
- If you repaired an item before the TSP inspection, you MUST provide the repair bill or some other evidence of the damage and repair cost to the TSP. If you disposed of a damaged item, you MUST give the TSP evidence that the item was damaged beyond economical repair.
- Before a claim is filed, you may call the TSP and request an inspection, or permission to dispose of items. The TSP will, within two (2) business days of being contacted, notify you that either the items will be inspected or that you may dispose of the items.
- When the TSP gives notice to inspect the items, the TSP will do so within 45 calendar days of being contacted by the owner unless the owner grants a further extension.

## **9. Salvage.**

- For shipments delivered within the United States or its territories, the TSP is entitled to take possession of and sell for salvage any damaged item on which it has paid either the depreciated or undepreciated replacement cost, or replaced the damaged item with a new item.

- If a lost item is located after your claim has been paid, you may decide either to request or decline delivery of the item(s). If you elect to receive a found item, you MUST refund any amount paid on that item.

- If the TSP locates an item within 60 days of receipt of notice of the loss, and a claim on that item has not yet been paid, you are obligated to accept delivery of the item in lieu of a claim, even if you have replaced the item.

If the TSP located the lost item more than 60 days after receipt of notice of the loss, but the item has not been replaced, and a claim on the item has not been paid, you are obligated to accept delivery of the item in lieu of a claim.

- If a lost item is later discovered with damage, the time limits for qualifying for FRV protection and for filing claims on that item will not commence until the delivery of that item.

#### **10. Essential Items.**

- The TSP is responsible for promptly dealing with owners who have had essential items lost, destroyed or made unusable due to damage. You MUST notify the TSP, military claims office, or personal property shipping office of such a loss within 7 days of the goods were delivered.

- Essential items include but are not limited to: (1) Refrigerators or other appliances necessary for the safe storage and preparation of food, (2) Necessary medical equipment and (3) Mattresses.

- Upon notification of the loss of an essential item, within two (2) business days, the TSP shall either pay for such items, provide temporary or permanent replacements for them, or make other arrangements as agreed to by you.

- Any payments made by the TSP shall be considered an advance on any claim and should not exceed the TSP's expected total liability. You are required to file a claim for the loss. Any advance payment will be deducted from your eventual award.

#### **11. Catastrophic Loss Payments.**

- The TSP is responsible for identifying and making partial, advance payments to you for a catastrophic loss to relieve hardships associated with the loss of all or a majority of household goods or unaccompanied baggage. Catastrophic loss occurs when over 60% of the inventory line items in a given shipment are lost, damaged, or destroyed.

- The payments are an advance and will not exceed the expected total liability. You are required to file a claim. Any advance payment made will be deducted from your eventual award. Payments are subject to the same maximum liability and rules as all payments.

- The TSP will make payment or come to an agreement on payment within 48 hours of contacting you.

## **12. High Value Items and High Risk Items.**

- High value items are limited to currency, coins, jewelry, silverware and silver service sets, crystal, figurines that have a value in excess of \$100 per pound. Individual CD's or DVDs with a value in excess of \$50 will be considered a high value item.
- If you fail to inform the TSP that such items are included in the shipment after the TSP has asked you in writing to list any such items in the above categories that will be included in the shipment, the TSP liability for high value items that you do not list shall be limited to \$100 per pound of the categories that will be included in the shipment, the TSP liability for high value items that you do not list shall be limited to \$100 per pound of the article.
- Items such as CDs, video tapes and DVD's that do not qualify as high value item for purposes of this provision limiting liability may be included on a high risk inventory.
- Your responsibilities at delivery. You and the TSP MUST open all containers in which the high risk/high value item were packed; remove the items from the containers and physically inspect each item before you sign the high risk/high value inventory form.

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**A member/employee should contact the closest Military Claims Office on FRV issues the member/employee and TSP cannot resolve.**

***\*\*BE SURE TO KEEP A COPY OF WHAT YOU SENT TO THE TSP AND SEND YOUR CLAIM BY CERTIFIED MAIL.\*\****