

July 8, 2016

BLOCK DESIGNATION NOTICE

The Department of Homeland Security (the "Department") has completed its review of the TSA Certified Cargo Screening Program ("CCSP") as a Block, pursuant to the Support Anti-terrorism by Fostering Effective Technologies Act of 2002, 6 U.S.C. §§ 441–444 (the "SAFETY Act"), and the Regulations Implementing the Support Anti-terrorism by Fostering Effective Technologies Act of 2002, 6 C.F.R. Part 25, 71 Fed. Reg. 33147, 33159 (June 8, 2006) (the "Regulations"). Pursuant to Section 25.3 of the Regulations, the Secretary of Homeland Security has delegated responsibilities, powers, and functions under the SAFETY Act, except the authority to declare that an act is an Act of Terrorism for purposes of Section 865(2) of the SAFETY Act, to the "Under Secretary for Science and Technology of the Department or the Under Secretary's designees." The Under Secretary for Science and Technology has designated the Deputy Under Secretary for Science and Technology, has authority to make SAFETY Act determinations regarding Designations, Certifications, and other matters in accordance with the SAFETY Act and the Regulations.

In accordance with Sections 25.4(b) and 25.6(h) of the Regulations, DHS has determined that Certified Cargo Screening Facilities, as evaluated by the Transportation Security Administration, affirmatively satisfy the criteria for a SAFETY Act Block Designation and are therefore eligible to apply for inclusion in this Block Designation. A determination of inclusion will be made by DHS in accordance with Section 25.6(h) of the Regulations, following an expedited review of the application, subject to the terms and conditions below.

TERMS AND CONDITIONS

- <u>Block Designation of Certified Cargo Screening Facilities as Qualified Anti-Terrorism Technologies</u>. By being approved by the Transportation Security Administration to operate, Applicants have affirmatively met the technical criteria for SAFETY Act Designation with respect to the Technology, as defined in Exhibit A.
- <u>Timeline for Expedited Review</u>. Pursuant to a complete application, the Office of SAFETY Act Implementation expects to process applications related to this Block Designation Notice within ninety (90) days of receipt of each application.
- Application Requirements.
 - Applicants under this Block Designation Notice will be required to submit a Block Designation Application via the SAFETY Act Website (www.safetyact.gov).

- Applicants will supply a copy of the TSA Certification as a Certified Cargo Screening Facility for each facility it wishes to have covered. Designation under this Block Designation will be on a per facility basis.
- O Pursuant to Section 443(a) of the SAFETY Act and Sections 25.5(a) and (g) of the Regulations, operators of Certified Cargo Screening Facilities shall obtain or maintain liability insurance for otherwise compensable third-party claims arising out of, relating to, or resulting from an Act of Terrorism when the Technology has been deployed in defense against, response to, or recovery from such an act. To establish such a limit, the Applicant will submit answers to items D.16 and D.17 of the SAFETY Act Designation form, exclusive of item D.16.5.
- <u>Term of this Block Designation Notice</u>. This Block Designation Notice will expire on July 31, 2021. The expiration of this Notice is independent from, and will have no effect on, the term of a Designation received by any CCSF applicant.

Note: Please refer to specific CCSP instructions posted on www.safetyact.gov for further guidance on filing an application pursuant to this Block Designation Notice. Any questions regarding this Block Designation Notice should be directed to the SAFETY Act Help Desk either by email at SAFETYActHelpDesk@dhs.gov or by phone at 1-866-788-9318. Please Reference "Certified Cargo Screening Program ("CCSP")" in all correspondence.

Best Regards,

Dr. Robert P. Griffin

Deputy Under Secretary for Science and Technology

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EXHIBIT A

BD-13

THE TRANSPORTATION SECURITY ADMINISTATION CERTIFIED CARGO SCREENING FACILITIES

[Applicant Name and State of Incorporation], (the "Seller"), provides a Certified Cargo Screening Facility (the "Technology"). Certified Cargo Screening Facilities are secure facilities established in accordance with directives that the Transportation Security Administration (TSA) issued for the screening and securing of cargo which will be transported on passenger aircraft. In accordance with TSA directives, the Seller will maintain a security plan that limits access to secure cargo screening areas, train and vet employees in accordance with TSA guidance, adhere to all TSA-specified chain of custody rules for this cargo, and use TSA-approved methods and/or equipment for the screening of cargo. The Technology includes only those locations for which the Seller acquires and maintains (by renewal) valid and current TSA Certifications.