

## Insuring Your Move: What are your options?

Under Federal law, interstate movers must offer two different liability options referred to as valuation coverage: (1) *Full Value Protection* and (2) *Released Value*

### (1) Full Value Protection

Under **Full Value Protection**, your mover is liable for the replacement value of lost or damaged goods in your entire shipment. This is the more comprehensive plan available for the protection of your belongings. Unless you select the alternative level of liability described below—**Released Value**—your mover will transport your shipment under the Full Value Protection level of liability. If any article is lost, destroyed or damaged while in your mover's custody, your mover will, at its discretion, offer to do *one (1)* of the following for each item:

- Repair the item
- Replace with a similar item
- Make a cash settlement for the cost of the repair or the current market replacement value

Under this option, movers are permitted to limit their liability for loss or damage to articles of extraordinary value, unless you specifically list these articles on the shipping documents. An article of extraordinary value is any item whose value exceeds \$100 per pound (*i.e.*, jewelry, silverware, china, furs, antiques). Ask your mover for a written explanation of this limitation before your move.

The exact cost for Full Value Protection varies by mover and may be subject to various deductible levels of liability that may reduce your cost. Ask your mover for written details of their Full Value Protection plan.

### (2) Released Value

The most economical protection available is **Released Value**, since it is offered at no additional charge. However, the protection is minimal. Under this option, the mover assumes liability for *no more than 60 cents per pound per article*. For example, if your mover lost or damaged a 10-pound stereo component valued at \$1,000, you would only receive \$6.00 in compensation (60 cents x 10 pounds).

There is *no additional charge* for Released Value. However, you *must* sign a specific statement on the **bill of lading** or contract agreeing to it. But remember, it compensates you according to the weight of the item, not its actual value. And, **if you do not select Released Value, your shipment will automatically be transported at the Full Value Protection level of liability** and you will be assessed the applicable charge.

Full Value Protection and Released Value are not insurance policies governed by State insurance laws; instead, they are Federal contractual [tariff](#) levels of liability authorized under Released Rates Orders of the Surface Transportation Board of the U.S. Department of Transportation.

## Third-party Insurance

If you select **Released Value**, some movers may also offer to sell or obtain for you separate liability insurance. The cost of this insurance is not included in the basic move and must be purchased separately by you. This is ***not valuation coverage governed by Federal law***—it is optional insurance ***regulated by State law***.

If you purchase this coverage, the mover remains liable for the amount up to 60 cents per pound per article; but the rest of the loss is recoverable from the insurance company up to the amount of insurance you purchased. Your mover is required to issue the policy or other written record of the purchase and provide you with a copy at the time of purchase.

You also have the option of purchasing insurance from a third-party insurance company. Before purchasing insurance, check your homeowner's insurance policy to see if you're already covered.

### If you're moving within your State ...

Each State may have its own rules and regulations governing moves within the State. Check with your [State, county or local consumer affairs agency or State moving association](#) if you're moving to a new location within the same State.

## Keep in Mind ...

**Some of your actions may limit your mover's liability.** These include:

- Packing perishable, dangerous or [hazardous materials](#) in your household goods without your mover's knowledge.
- Packing your own boxes. You may consider packing your own household goods articles to reduce your costs, but if the articles you pack are damaged, it may be more difficult to establish your claim against the mover for the boxes you pack.
- Choosing Released Value coverage when your household goods are valued at more than 60 cents per pound per article.
- Failing to notify your mover in writing about [articles of extraordinary value](#).

**Do not sign a delivery receipt for your household goods if it contains any language about releasing or discharging your mover or its agents from liability.**

By law, you have nine (9) months to file a written claim. Strike out this kind of language or refuse delivery until a proper receipt is provided.

**Report loss and damage promptly.** You have nine (9) months following either the date of delivery, or the date on which the shipment should have been delivered, to file a written claim.

**Interstate movers are required to participate in a dispute resolution or arbitration program to address your loss and damage claims.** If your mover does not provide you with information on its program, ask for it—movers are required to provide a concise, easy-to-read summary.

## Key Terms

- **Bill of Lading** – The receipt for your household goods and the contract for their transportation.
- **Extraordinary Value or High Value Article** – An article of high or extraordinary value is any item whose value exceeds \$100 per pound.
- **Hazardous Materials** – Explosives, compressed gases, flammable liquids and solids, oxidizers, poisons, corrosives and radioactive materials. Many common household items are considered hazardous materials. These include nail polish remover, paints, paint thinners, lighter fluid, gasoline, propane cylinders, and automotive repair and maintenance chemicals.
- **Interstate Move** – A move in which goods are transported from one State to another.
- **Intrastate Move** – A move in which goods are transported from one point to another within the same State; no State borders are crossed.
- **Tariff** – A list of rules, regulations, available services and resulting charges. Each mover publishes its own tariffs and these must be provided to you upon request.
- **Valuation** – The designated dollar value of your shipment