

## How to Get the Right Insurance for Your Residential Move

Whether you hire a mover or move it yourself, it is impossible to guarantee that all of your property will arrive at its final destination in the same condition it started out. Damage to your property can occur in transit (on the moving truck), in storage, and when it is being carried in or out of the moving truck. Things can be accidentally dropped, dented, or broken by moving men. Most insurance coverage that can be obtained through a mover limits the mover's liability and will not completely cover the value of your property if lost or damaged. **It is extremely important to make sure that your possessions are adequately insured before you move.**

### When Selecting a Moving Company

Thoroughly review the moving company's terms for insurance coverage.

- Determine the extent of liability coverage for property loss or damage your mover will provide.
- Closely examine the contract and find a section for you to establish the estimated value of your possessions.
- Determine the maximum liability dollar value of the insurance provided by the mover and the process involved in case you need to place a claim. However, this does not guarantee that in case of a claim you are entitled to the maximum liability damage coverage. Factors such as government regulations, taxes, and laws limit the actual the amount you may be entitled to in case of a claim.
- Realize that the insurance provided by most moving companies only covers a portion of the total value of your possessions and you will have to get additional insurance to be fully covered.

### Insurance Available Through Your Mover

Insurance available through your mover is based on valuation. Basically, valuation is the method of determining liability - by you and your mover. There are three types of valuation:

- **Declared value:** The value of the things you move is based on the total weight of the shipment multiplied by a specific amount per pound (example; \$1.25 per pound). For instance, if your possessions weigh 10,000 pounds the mover would be liable for up to \$12,500. Claim settlement is then based on the depreciated value of the item(s) damaged.
- **Lump sum value:** If you need insurance that is based more on value than on weight you can get insurance for a specific amount (the amount is variable dependant on the insurance provider) per \$1,000 of value. You must know the value of what you are shipping and make a declaration in writing on the bill of lading.
- **Full value protection:** This type of coverage includes lost, damaged, and destroyed property. The coverage will pay for the repair or replacement of the item(s). Usually there is a minimum coverage amount and applicable deductibles.

### Calculate the amount of insurance you require

Calculating the amount of insurance you require begins with taking into consideration the total weight of what you are moving, the number of rooms you are moving, and the contents of your move.

### Create an inventory of all the items you are moving

- What you are moving (sofa, dining room set, refrigerator, etc.).
- The weight of each item you are moving (estimate the weight).
- The replacement value of each article you are moving.

### Make sure to have totals that summarize your inventory

- Total number of items you are moving.
- Total weight of the items.
- Establish the total replacement value of all your property.

(Take pictures of what you are moving. This is important in establishing the condition of your possessions and it helps in confirming the inventory list.)

### Homeowners Insurance as a Supplement

Most homeowner insurance policies cover about 10 percent of the value of your personal property; including

coverage for breakage and theft in transit, minus the usual deductible. This can be a good supplement to the insurance provided by the mover.

### **Transit Insurance as a Supplement**

Transit insurance is another good supplement to the insurance provided by your mover. Read the policy and make sure it covers the gaps in insurance left by other policies. This coverage can save you thousands of dollars and is usually available through the mover, a move-it-yourself company, or through your homeowner's insurance company.

### **Some Additional Helpful Tips**

- If you are moving fine art, valuable musical instruments or antiques, you should consider special measures to ensure their safety and protect against their loss or damage. If these items are not covered while in transit by your home policy, you would be advised to purchase additional coverage. Speak to your mover or homeowner insurance representative.
- In the event that something should happen to your belongings and you have to file a moving claim, you must do so within (9) months of the event. You should also note the problem on the moving van driver's copy of the bill of lading before signing it. Your mover will then have 30 days to acknowledge receipt of your claim. Within 120 days of receiving your claim, the mover must either deny the claim or make an offer to pay.