



## INSURANCE FAQs

**General Liability** – Policy covers bodily injury, property damage, reputational harm, and advertising injury. TVM has never had a claim on this policy.

**Cargo** – Policy covers full loss loads of fire, theft, or overturn of transport. Company liability is limited to 60 cents per lb. Any claim would be settled by insurance underwriter. TVM has never had a claim with this policy.

**Workman's Compensation** – Covers injuries to worker's that get hurt on the job. TVM takes training and safety very seriously and has had one claim on this policy.

**Damage** – This is the incidental coverage on personal goods, residence, or office facilities. It is important to understand the difference between Released Value and Full Coverage Protection. TVM has a 2% claim ratio in 2021 compared to industry average of 8%.

**Released Value** – This is the amount that States require to cover in the event of damage. It varies from state. In Idaho, the released value is 60 cents per lb.

**Full Coverage** – This is an individual policy that is purchased by the customer with a third-party insurance company to cover the difference between the released value and the replacement value. Premiums are based on the total valuation and chosen deductible.

EXAMPLE: TVs are high in value, low in weight. If a TV weighs 70 lbs, the released value is \$42.00 (60 cents X 70 lbs = \$42). If the value of the TV is \$2,000, then the TV would be settled with the third party insurance company and would cover the \$2,000.

NOTE: It is important to understand that most damage claims are an out of pocket expense with the moving company. With the company value of providing quality moves every time, damage claims are settled much like an insurance company will settle a claim with a damaged car. Meaning, if something is repairable, TVM will repair it. If the damage is not repairable, TVM will replace it up to a certain reasonable limit. The exceptions to this policy are high value items such as artwork, jewelry, high end furniture, etc. In the event of transporting high value items, it is critical that those items be documented and have adequate insurance.

Why are claims an out of pocket expense rather than the insurance company covering it? Insurance policies work just like a car insurance policy. If you make a bunch of claims, your rates will go up and eventually the policy will be dropped.

How much is a full coverage policy? Rates vary between companies but a basic rule of thumb is for every \$10,000 declared, it's going to be \$100 in premium. So a \$100,000 policy will be \$1,000.

