

## **Information for customers**

You are planning to relocate.

Insuring your personal property items against the risk of loss or damage is a smart and appropriate decision, regardless of whether you are obtaining coverage for items in your home or in preparation of a move. Your personal insurance policies (such as home owner's or renter's insurance or comprehensive coverage for your car) usually do not include insurance coverage for your personal effects while they are being transported from one location to another during a move. Even though your moving company will take all essential precautions to avert the above risks, it is generally not possible to rule out that incidents do occur during transportation that can damage your relocation property as a result of, for instance, an accident of the transportation vehicle, vessel or a fire at a storage facility or other exterior forces that have an adverse impact on your property. Transportation insurance coverage for relocation property will protect you against financial losses resulting from damages or losses of relocation objects during transportation. Like many other things in life, such protection is subject to certain rules and regulations. We have compiled this information to familiarize you with these rules and to enable you to be aware of the applicable and important criteria before your move. The aim is to prevent future disputes in the event that damage claims have to be processed. Of course we will be here to assist you should any damage claims have to be handled; however, first and foremost, we do hope that your relocation property will arrive at its destination safe and sound.

## **General terms and conditions for this type of insurance coverage**

The move must be conducted by a professional relocation firm; the goods must be packaged by experienced packers of this professional relocation company. If you should fail to utilize the door-to-door service of the professional relocation firm, this may result in limited coverage obligations at the insurer's end.

## **Which objects are covered by the insurance?**

The insurance coverage comprises the relocation property of the eligible party, i.e. all objects that are considered part of a residential household or office furnishings according to common practice, regardless of whether these are used or new household or office furnishings. The insurance coverage must be obtained for the entire lot of relocation goods, as the selection of specific items generally results in underinsurance and limitations of the coverage obligations at the insurer's end.

**If special items, such as boats, aircraft or any other unusual objects are to be considered part of the relocation Property to be transported, a special agreement for same must be made prior to transportation to ascertain if insurance coverage for such items can be provided and if yes, subject to which terms and conditions.**

## **Please note:**

Artifacts such as paintings, sculptures and the like, genuine hand woven carpets as well as pelts, objects made of silver, antique china and other highly valuable objects, glass, china and similar fragile materials are included in the total insurance amount at the rate of 25 %, covered by the basic insurance premium with no surcharge due.

A higher value percentage coverage may be obtained for such objects prior to the beginning of the risk if a premium surcharge is paid and the individual values are provided; failure to do so will result in underinsurance.

If requested, passenger vehicles transported by a relocation vehicle will also be covered by the insurance. If driven on their own axles, vehicles are excluded from insurance coverage unless such drives are merely for direct loading and unloading purposes.

**Important:**

Insurance coverage does not extend to animals, plants, jewelry items and precious stones, pearls, money, other payment instruments, valid phone cards, precious metals in the form of coins or other states; securities, certificates, smartphones and Tablets, food, beverages and tobacco products.

**Which risks are insured?**

Pursuant to the German Goods Insurance Act (DTV Güterversicherung) 2000/2008 - the insurer shall provide complete coverage compensation for the loss of or damages to the insured goods as consequences of an insured risk.

**Coverage shall not be provided** for damages caused by . Normal  
humidity or normal temperature fluctuations

- Absence or inadequacy of packaging required for the mode of transportation. This shall not apply if the packaging was handled by experience packaging staff of the moving company and damages have occurred nonetheless. However, if you refuse to comply with special packaging proposals recommended by the moving company, including recommendations that possibly result in increased costs (e.g. crates to be fabricated, crates for paintings or other transportation sensitive objects), no insurance coverage shall be provided for damages caused by inadequate packaging that does not provide for secure transportation.
- Transportation travel delays
- Interior perishing or demise of the natural condition of the goods, including damages resulting from breaking, rupturing (e.g. ruptures or grooves in the wood of old furniture pieces, which are caused solely by normal shock during transportation in connection with advanced drying of the wood), ripping apart, changes in color as a result of the effects of weather, heat, moisture or humidity, unless evidence can be provided that such damages were caused by an insured risk incident.
- Functional impairment of technical devices (e.g. docks, radio, television and other apparatuses, computers, Instruments, etc.) if same were not verifiably exposed to special effects of forces during transportation.
- Dissolving of glue bonds, scratching, dents, impressions, ruptures in and polish going flat, splintering Off of paint, lacquer, enamel coatings on household/office and residential furnishings; rust, oxidation, thread breakage in tubular and other bulbs and lighting sources unless evidence can be provided that such damages were caused by an insured risk incident.
- Damage or loss of items that you have packed themselves are not insured, unless evidence can be provided that such damages were caused by an insured risk incident.
- Moreover, the insurer shall not pay any compensation for indirect damages of any kind.
  - This may include the following consequential damages caused by damages to objects:
- Hotel and/or increased per diem costs caused by material damages,
- Personal expenditures in connection with claims and evidence provided for damages both in terms of grounds and in terms of the amount, such as time expended or driving costs, etc.
- In conjunction with the procurement of replacement items, such as time expended or driving costs, etc.
- Damages that are strictly pecuniary damages resulting from the late arrival of your relocation goods, such as overnight accommodations and/or increased per diem costs, driving costs, etc. are also not covered by the insurance.

**Luggage, spare parts, special accessories not permanently installed, personal effects and relocation goods stowed in a motorized vehicle that is part of the transportation assignment shall also not be covered by the insurance.**

**When does the insurance coverage take effect and end?**

The insurance coverage shall **take effect** as soon as the goods are removed from their storage location at the departure address for the purpose of transportation.

**Important:** Packaging and/or the dismantling of the relocation items in the residence of the shipper by the moving company shall establish grounds for the insurance coverage to take effect only insofar as it pertains to the services rendered by the moving company (packaging/dismantling). The continued storage of the items to be relocated in the residence until it is loaded into the container/moving truck shall not be covered by the transportation insurance policy.

**Consequently, please bear in mind:** Do not cancel your renter's or homeowner's insurance until the final package to be included in the move has been loaded into the container or moving truck.

Stored items shall be covered by the insurance up to a total period of 60 days, i.e. during the time period from the date the items to be moved were physically taken over by the moving company and the delivery of said goods to the recipient at the previously arranged destination address. In the event that a time frame of 60 days should be exceeded, an extension of the storage insurance coverage may be applied for in return for payment of a premium supplement. The application must be filed in writing prior to the expiration of the 60-day deadline. Failure to do so shall result in the expiration of the insurance coverage. If it is foreseeable that the storage periods will exceed the 60-day period, it is recommended that the anticipated storage period is already stated when the transportation insurance policy is executed.

**Important:**

Storage periods may generally be insured only if company storage facility (storage at the insured's insured through transportation insurance).

The insurance coverage shall **end**

- As soon as the goods have been brought to the location defined by the recipient at the delivery destination (delivery location)
- As soon as the goods, which have been unloaded at the destination port or airport, have been forwarded to a delivery location not agreed upon in the insurance policy, if the change in delivery location results in an increased risk
- As soon as the interim storage periods exceed a total of 60 days and a prolongation of the storage insurance coverage has not been applied for

**Important:**

If you should have provided instructions that you will unpack the boxes yourself once they arrive at your residence, the insurance coverage shall end as soon as the boxes are dropped off by the delivering freight forwarder.

**Who is responsible for setting the insurance coverage amount and how is it defined?**

The setting of the insurance coverage amount shall be the responsibility of the insured. Given that the moving company is not familiar with the details of the insured's goods, it is not in a position to do so and this is not part of its scope of responsibilities. The insurance coverage must be obtained for the entire lot of relocation goods, as the selection of specific items generally results in underinsurance and limitations of the coverage obligations at the insurer's end.

**The value of relocation goods is set**

according to the agreement made in the application based on:

**Fair market value/time value**

In this case, the insured value is the fair market value. The fair market value is the original new product value minus a reasonable deduction for its age, wear and tear as well as use, depending on the object's condition and sale ability in the market. This formula does not always have to apply to special objects (such as antiques, artefacts such as paintings, sculptures and the like, genuine carpets and pelts, objects made of silver, antique china, furnishings of very premium quality, classic designer objects, etc.). In these cases it may be necessary to factor value increases into account.

**Customers are advised not to take out coverage amounts that might not suffice to cover everything to avert underinsurance and potential disadvantages in the event of an insured incident. Nevertheless, please also keep in mind that excessive insurance coverage amounts will not translate into higher benefit payments.**

**New product value/value as new**

In this case, the insured value equals the reacquisition value (new product value) at the destination location at the time the relocation transport takes place. If the current/time value of the household goods is 50% or less of the current/time value, the maximum insurable value shall be the current/time value.

This formula does not always have to apply to special objects (such as antiques, artefacts such as paintings, sculptures and the like, genuine carpets and pelts, objects made of silver, antique china, furnishings of very premium quality, classic designer objects, etc.). As a rule, antiques, artefacts such as painting, sculptures and similar items do not have a new product value. In such cases it may be necessary to utilize official value appraisals.

**Customers are advised not to take out coverage amounts that might not suffice to cover everything to avert underinsurance and potential disadvantages in the event of an insured incident. Nevertheless, please also keep in mind that excessive insurance coverage amounts will not translate into higher benefit payments.**

**Alternatively, you have possibility to use the following special:**

**Underinsurance waiver**

**Value as new coverage** for HHG– Lump Sum Valuation Basis without objection of underinsurance in case of partial damage

**Not valid for the transport insurance of motor vehicles, boats and other means of transport**

You may indicate a value as new coverage on a lump sum basis. This must adhere to and not be less than the guidelines specified below:

The valuation must not be less than US\$\* 1.500,00 multiplied by the cubic volume of your shipment. For example, your shipment has a volume of 30 cubic meters x US\$1.500,00 = US\$ 45.000.00 In addition, any individual item, pair or set valued at more than US\$ 1.500,00 must be itemized separately and that total value must be added to the total lump sum valuation.

If you choose this system underwriter will not assert Underinsurance **in case of partial damages or partial loss.**

**In case of a total damage or total loss of the whole shipment, the payment of insurer will be in no case higher, than the insurance value, you have declared.**

All other conditions of the insurance remain unchanged, especially the conditions about not insurable items, exclusions, instructions in case of loss or damage, obligations to prove the damage or loss and measure of indemnity.

**Fair market value/time value coverage** for HHG– Lump Sum Valuation Basis without objection of underinsurance in case of partial damage

**Not valid for the transport insurance of motor vehicles, boats and other means of transport**

You may indicate a fair market value/time value coverage on a lump sum basis. This must adhere to and not be less than the guidelines specified below:

The valuation must not be less than US\$ 1.000,00 multiplied by the cubic volume of your shipment. For example, your shipment has a volume of 30 cubic meters x US\$1.000,00 = US\$ 30.000.00 In addition, any individual item, pair or set valued at more than US\$ 1.000,00 must be itemized separately and that total value must be added to the total lump sum valuation. \*If Insurance Value in EURO, than all values in EURO.

If you choose this system underwriter will not assert Underinsurance **in case of partial damages or partial loss.**

**In case of total damage or total loss of the whole shipment, the payment of insurer will be in no case higher, than the insurance value, you have declared.**

All other conditions of the insurance remain unchanged, especially the conditions about not insurable items, exclusions, instructions in case of loss or damage, obligations to prove the damage or loss and measure of indemnity.

**For motorized vehicles:**

Factory new motorized vehicles shall be considered new products. All other motorized vehicles shall be insured at the market value at the destination location at the time of the transport. Permanently installed special features must be taken into account when setting the insurance amount.

**Customers are advised not to take out coverage amounts that might not suffice to cover everything to avert underinsurance and potential disadvantages in the event of an insured incident.**

**Nevertheless, please also keep in mind that excessive insurance coverage amounts will not translate into higher benefit payments.**

**Important - applies to relocation goods and motorized vehicles:**

If applicable, transportation costs to the destination location may have to be added to the value.  
Personal collectors' value assumptions cannot be insured.

Insurance coverage must be obtained for the entire relocation transportation shipment; the selection of specific objects generally results in underinsurance and limitations of the compensation obligations at the insurer's end.

Consequently, it may be advisable to use the following as benchmarks for the value:

- The insured amount of your renter's or homeowner's insurance policy plus special insurance policies plus the value of any items acquired later
- Declaration of the individual values of the items transported

Please be aware of the fact that in the event of a covered incident, evidence of the value of the claimed items will have to be provided. The above tools have been provided to assist you with the determination of the insurance amount, but they may not suffice in the event of damages under some circumstances.

The declaration of the value in the individual value list, for instance, will not be considered proof of the actual value of the affected object.

Moreover, It is important that in the event of an incident, you are in a position to tell the insurer under which position in your individual value listing the claimed object has been insured for which amount. If it should be an item listed under a collective value for multiple objects, you may under certain circumstances be required to provide specific values for the individual items.

The insurance amount in your renter's or homeowner's insurance is frequently based on the residential floor space in square meters. However, the transportation insurance will not be able to identify whether the insurance amount used for your renter's or homeowner's insurance actually covers the value of all current goods to be transported, including their value progression.

Depending on whether you have made a fair market or new product value based agreement in your insurance policy, you may for instance need to present purchase invoices, photos or expert value appraisals, cost estimates for reacquisition, etc. An expert commissioned by the insurance company to assess the damages will regularly also be required to verify the reasonability of the insurance amount.



If the insurance pertains to the new product value, the insurer will also check the original purchase price in order to be able to compare it to the new product value.

**Customers are advised not to take out coverage amounts that might not suffice to cover everything to avert underinsurance and potential disadvantages in the event of an insured incident.**

**Nevertheless, please also keep in mind that excessive insurance coverage amounts will not translate into higher benefit payments.**

**What will the insurance company pay compensation for?**

**In the event of a loss, the insurance will cover the following:**

**For relocation goods** - the time value of the lost object, or in case of agreement the new value, when in the contract is concluded. If the current/time value of the lost item is 50% or less of the current replacement value, the maximum reimbursement shall be the current/time value.

**For motorized vehicles** - The fair market value /time value

**In the event of damages, the insurer shall replace**

**For relocation goods** - The costs of repair of the affected object, however, an amount not to exceed its fair market/time value or if agreed upon at the time the policy was executed, an amount not to exceed the agreed upon new product value/value as new, minus the residual value in damaged condition. If the current/time value of the damaged item is 50% or less of the current replacement value, the maximum reimbursement shall be the current/time value.

**For motorized vehicles** - In the event of repairs made to preowned motorized vehicles, deductions will be made on the basis "new for old." In the case of motorized vehicles, the agreed upon deductible of EUR 500.00 is also commonly deducted. Transportation insurance companies generally use the same approach as car insurance companies. Comprehensive insurance policies for cars are usually always subject to a deductible.

If only a part of a property unit is lost or damaged, reimbursements shall be paid only for the individual damaged part.

All repairs shall be performed subject to the consent of the insurer.

It is of course possible to make an agreement on a reasonable value reduction with the insurer instead of repairs.

The costs incurred for the reacquisition of lost or damaged data on data media shall not be reimbursed. When motorized vehicles are taken over by the freight forwarder for transportation, a detailed inspection of the car's condition and any pre-existing damages shall be conducted and recorded.

Any damages that were already present prior to the start of the transport shall not be reimbursed by the insurer.

If further damages are incurred during the insured journey, deductions for pre-existing damages shall be factored into the computation of the actual damages. This shall also apply to pre-existing damages to the goods to be relocated.

### **Underinsurance**

In the event that the actual value of the insured goods is found to be greater than the selected insurance amount in case of an insured incident (see also: **"Who is responsible for setting the insurance coverage amount and how is it defined?"**) only a pro-rated compensation payment based on the ratio of insurance amount and insurance value shall be paid for the determined damages.

### **Example**

## **New value based insurance coverage**

### **Total loss**

The new value of the insured's complete relocation shipment at the destination location totals EUR 100,000.00.

The insured has obtained a coverage amount of only EUR 50,000.-The damages caused during transportation result in a total loss.

The maximum compensation amount to be covered by the insurer is EUR 50,000.— **Partial**

### **loss**

The new value of the insured's complete relocation shipment at the destination location totals EUR 100,000.00.

The insured has obtained a coverage amount of only EUR 50,000.-

The damages caused during transportation result in a partial loss equaling EUR 10,000.-

The maximum compensation amount to be covered by the insurer in this case is EUR 5,000.—

### **Fair market value based insurance coverage/time value Total loss**

The fair market value/time value of the insured's complete relocation shipment at the destination location totals EUR 100,000.00.

The insured has obtained a coverage amount of only EUR 50,000.-The damages caused during transportation result in a total loss.

The maximum compensation amount to be covered by the insurer is EUR 50,000.— **Partial**

### **loss**

The fair market value/time value of the insured's complete relocation shipment at the destination location totals EUR 100,000.00.

The insured has obtained a coverage amount of only EUR 50,000.-

The damages caused during transportation result in a partial loss equaling EUR 10,000.-

The maximum compensation amount to be covered by the insurer in this case is EUR 5,000.—

**Customers are advised not to take out coverage amounts that might not suffice to cover everything to avert underinsurance and potential disadvantages in the event of an insured incident. Nevertheless, please also keep in mind that excessive insurance coverage amounts will not translate into higher benefit payments.**

## **Facts to pay attention to upon delivery of the relocation property/vehicles**

### **This information is extremely important for the insured to protect benefits due from the insurer**

The objective of obtaining insurance coverage is to protect the insured against financial losses in the event that the property moved is damaged or lost during transportation, in particular in the event of accidents of the transportation vehicle, vessel, a fire at a warehouse or any other external force that has an adverse effect on the goods.

Consequently, it is a general requirement that the claimed transportation damages are distinguished from other potential sources of damages and that they are proven to be transportation damages that occurred during the insured journey. The insured fulfills this requirement to provide evidence by examining the relocation goods for externally visible damages upon delivery and by documenting the deviations/deficiencies immediately in writing and by not signing off on the moving company's receipt of complete and undamaged arrival of the relocation property. Instead, the insured must specify the damages and/or losses detected on the hand-over receipt. General acceptance reservations shall not suffice (e.g. acceptance subject to later inspection - this shall be considered insufficient and is the equivalent of a confirmation of proper receipt). The specified record of damages must be counter signed by the freight forwarder delivering the goods (supervisor/fleet manager). In the event that the recipient should overlook any damages evident from the exterior that have occurred during transportation, the insurer shall offer a remedial period for the filing of claims that is limited to the day after the delivery of the relocation property. Such claims shall, as a rule, be accepted if the claim is filed in writing or text format (fax or e-mail, timely sending of a letter) with the delivering freight forwarder or the insured's contracted freight forwarder or with us no later than on the day following the delivery of the relocation goods.

These measures are of extreme importance because you are required to provide evidence for all claims pertaining to impairments filed with us or the moving company on the day after the delivery of the relocation goods that the claimed

damages did occur during the relocation transport or during the insured journey.

As a rule, this is very difficult, given that it is not possible to objectively distinguish whether the damages did not only occur after the completion of the relocation order or after the insurance coverage has already ended.

If a complete relocation service has been contracted, the moving company also handles the unpacking of the boxes and crates the company has packaged. Consequently it is possible to record any damages or losses during the delivery as described above.

However, if the insured does, for instance, forego the unpacking services offered by the moving company that has previously packed the boxes and crates, the insured is terminating the contract prematurely, which also results in the termination of the insurance coverage. Damages to unpacked goods incurred post delivery are no longer insured and the moving company also does not have any further liability at this point.

Consequently, the post delivery claim filed with us or the moving company is subject to the above described difficult burden of proof conditions.

All of the above information is provided to emphasize the importance of inspecting the relocation goods immediately upon delivery to discover any externally evident damages and that any deviations/deficiencies are recorded in writing immediately and specifically (see above).

**The information contained herein is not a substitute for the complete insurance terms and conditions found in:**

DTV Güterversicherung 2000/2008 volle Deckung oder eingeschränkte Deckung (DTV Cargo Insurance 2000/2008 Full or Limited Coverage)

DTV Güterversicherung 2000/2008 Kriegsklausel (DTV Cargo Insurance 2000/2008 War Clause)

DTV Güterversicherung 2000/2008 Streik- und Aufruhrklausel (DTV Cargo Insurance 2000/2008 Clause for Strikes Riots and Civil Commotions)

DTV Güterversicherung 2000/2008 Alters- und Klassifikationsklausel (DTV Cargo Insurance 2000/2008 Classification and Age Clause)

DTV Güterversicherung 2000/2008 Isotopenklausel (DTV Cargo Insurance 2000/2008 Radioactive Isotopes Clause) Besondere Bedingungen für die Versicherung von Umzugsgut und Kraftfahrzeugen gegen (Special Conditions for the Insurance of Removal Goods and Motor Vehicles against Transport Risks )

**Upon request, we will be pleased to provide you with copies of the above.**