

## The Six Questions You Have to Ask... ...and why these questions are important...

How long have you been in the transit insurance business?  
How long have you worked with the moving and storage business?  
A TRANSIT INSURANCE PROVIDER IS MEASURED BY ITS LENGTH OF LIFE, WHICH INDICATES NOT ONLY ITS FINANCIAL STRENGTH BUT ALSO ITS ABILITY TO SERVICE ITS CUSTOMERS WELL.

Which indemnity (insurance company) do you represent?  
Who underwrites your policies?  
MOST INSURANCE PROVIDERS ARE BROKERS FOR INSURANCE COMPANIES, NOT ACTUAL INSURANCE COMPANIES THEMSELVES. KNOWING WHICH INSURANCE COMPANY YOUR PROVIDER REPRESENTS ENABLES YOU TO CHECK THE COMPANY'S FINANCIAL RATINGS AND WHERE IT IS ADMITTED TO DO BUSINESS.

How long have you been with the same indemnity?  
THE LENGTH OF TIME AN INSURANCE PROVIDER HAS BEEN WITH THE SAME INSURANCE COMPANY (OR INDEMNITY) INDICATES STABILITY FOR YOU AND YOUR CLIENTS.

What is your indemnity's AM Best rating?  
THE AM BEST'S INSURER FINANCIAL STRENGTH RATINGS ARE USED TO MEASURE THE FINANCIAL STRENGTH OF INSURERS. THESE RATINGS CAN RANGE FROM A++ (HIGHEST) TO F (LIQUIDATION) OR S (SUSPENDED). YOU SHOULD NEVER ACCEPT ANYTHING LESS THAN AN A+ RATING.

Do you identify your indemnity on the certificates of insurance?  
THE INDEMNITY SHOULD ALWAYS BE IDENTIFIED ON CERTIFICATES OF INSURANCE. IF IT'S NOT, IT'S POSSIBLE THAT THE PROVIDER IS NOT SELLING INSURANCE AT ALL.

If you are a U.S. mover or forwarder ask: Is the insurance company you represent admitted to do business in my state?  
BEING ADMITTED WITHIN A STATE MEANS THAT THE INSURANCE COMPANY HAS RECEIVED AUTHORIZATION FROM THE STATE TO TRANSACT BUSINESS THERE. AUTHORIZATION IS USUALLY GRANTED BY PROVIDING THE STATE'S INSURANCE DEPARTMENT WITH FINANCIALS, DEMONSTRATING A COMPANY'S STABILITY.

AFTER ASKING THESE ESSENTIAL QUESTIONS, COMPARE SEVERAL PROVIDERS' COVERAGE OPTIONS. THERE ARE A VARIETY OF COVERAGE OPTIONS AVAILABLE FROM ALL RISK, FULL REPLACEMENT VALUE COVERAGE TO LIMITED, F.P.A., COVERAGE. THE CERTIFICATES SHOULD BE WRITTEN IN PLAIN ENGLISH AND SHOULD CLEARLY DEFINE WHAT THE TERMS AND CONDITIONS OF COVERAGE ARE, INCLUDING, FOR EXAMPLE, WHAT THE POLICY COVERS, WHAT THE POLICY EXCLUDES, WHAT THE COMPANY'S CLAIM FILING PROCEDURE IS, WHETHER DEPRECIATION IS EVER FACTORED INTO CLAIM SETTLEMENT, AND WHETHER THE SHIPPER HAS TO PREPARE A VALUED LISTING.

LASTLY, BEWARE OF INSURANCE PROVIDERS MARKETING COVERAGE AT EXTREMELY LOW RATES. THESE PROVIDERS CAN RARELY PRODUCE QUALITY SERVICE AND COMPREHENSIVE COVERAGE AT SHOCKINGLY LOW RATES. YOU SHOULD ASK HOW THEY CAN AFFORD TO OFFER COVERAGE AT SUCH LOW PRICES. ONE WAY, OF COURSE, IS TO RESTRICT COVERAGE. OBVIOUSLY, THE MORE RESTRICTED THE COVERAGE, THE LOWER THE PREMIUM RATES, (ANOTHER REASON WHY YOU SHOULD KNOW EXACTLY WHAT YOU ARE PURCHASING).