

MOVESTAR, INC.

EXPLANATION OF INSURANCE COVERAGE

The following explanation is provided relative to insurance coverage carried by Movestar:

1. WORKERS' COMPENSATION: Texas is the only state that does not by law require employers to carry Workers Compensation Insurance. Many employers opt out of carrying this insurance coverage on their employees due to the excessive cost of the premiums. Workers' Compensation Insurance provides medical and lost wages to employees who are injured while in the course and scope of their employment. For you the customer, this means any employee who is injured while moving your goods will look to the Workers Compensation carrier for these benefits. This is a protection for you. We feel it is important to make you aware that selecting a company that does not carry Workers Compensation Insurance for their employees may create exposure to liability to you, the customer.

This coverage is at no cost to the customer.

2. GENERAL LIABILITY: This insurance provides coverage for physical damage to a customer's premises. This does not cover normal wear and tear on the premises nor pre-existing damages.

This coverage is at no cost to the customer.

3. CARGO INSURANCE:

a. BASIC COVERAGE: This insurance provides coverage for damage to a customer's household or office contents during transit. The reimbursement is computed at \$0.60 per pound per item. It is the option of the carrier to either repair or replace the damaged item. Any claim under the Cargo Insurance must be made in writing within 90 days following the completion of the relocation.

All claims subject to the below listed "Farmer's Exclusions".

**\$500.00 deductible to be borne by customer.
This coverage is at no cost to the customer.**

b. EXTENDED COVERAGE - TRANSIT INSURANCE: This insurance

provides extended coverage over the above-described Cargo Insurance.

This coverage is for damage to household or office contents from the

commencement of the move to its conclusion during transit of such contents.

It is the Carrier's option to elect either to repair or replace the damaged item(s). Coverage is limited to the amount of insurance purchased and subject to a

\$500.00 deductible.

All claims subject to the below listed "Farmer's Exclusions".

The cost of this coverage is to be borne by the customer.

\$500.00 deductible to be borne by customer.

It is the responsibility of the customer to advise Movestar's offices, at least 72

hours, prior to the relocation that customer wishes to purchase insurance coverage and the amount of coverage desired.

The rate for Transit Insurance is \$0.46 per \$100.00 of declared value.

Insurance is issued in \$5,000.00 increments.

The maximum coverage Movestar may process without contacting the

Underwriting Department of the insurance carrier is \$50,000.00. Any coverage in excess of \$50,000.00 will require a list of items to be covered and the value of such items. Customer must allow, at least five (5) working days to process this excess coverage request.

Premiums are due and payable the day of the relocation.

Any claim under the Transit Insurance must be made within a 72-hour period

following the completion of the relocation.

4. WAREHOUSEMEN (STORAGE) INSURANCE

a. **BASIC COVERAGE:** This insurance provides coverage of items placed in storage at Movestar's warehouse located at 4431 Simonton Rd, Dallas, Tx. 75244. Coverage commences from the time the items are brought into the warehouse, not the commencement of the move, e.g. from customer's location to the warehouse.

It is the Carrier's option to elect either to repair or replace the damaged item(s).

All claims subject to the below listed "Farmer's Exclusions".

Payment of claims would be for the actual value (depreciated) of any goods in storage, subject to a \$250.00 deductible.

This coverage is at no cost to the customer.

\$250.00 deductible to be borne by customer.

b. **EXTENDED COVERAGE:** This insurance provides extended coverage of items placed in storage at Movestar's warehouse located at 4431 Simonton Rd, Dallas, Tx. 75244 over the above-described Basic Coverage.

The maximum coverage Movestar may process without contacting the Underwriting Department of the insurance carrier is \$50,000.00. Any coverage in excess of \$50,000.00 will require a list of items to be covered and the value of such items. Customer must allow, at least five (5) working days to process this excess coverage.

Coverage is limited to the amount of insurance purchased and subject to a \$250.00 deductible.

The insurance carrier has the option of either repairing or replacing any damaged item.

All claims subject to the below listed "Farmer's Exclusions".

The cost of this coverage is to be borne by the customer.

\$250.00 deductible to be borne by customer.

The rate for Storage Insurance is \$0.24 per \$100.00 of declared value.

Premiums are due and payable the day of the items are placed in storage.

The insurance is charged on a monthly basis and may not be pro-rated.

Any claim under the Storage Insurance must be made within a 72-hour period following the removal of items from storage.

FARMER'S EXCLUSIONS:

IN THE EVENT OF LOSS THE INSURED MUST GIVE IMMEDIATE WRITTEN NOTICE WITH FULL PARTICULARS TO THE MOVING COMPANY.

a. Property covered by Farmers is valued by the customer at the amount stated; but in the event of loss, the liability of Farmers will not exceed the actual cash value of the property at the time and place of such loss. Farmers shall not be liable for a greater proportion of any loss or damage than the amount insured bears to 100% of the actual cash value of the property at the time of loss. In no event shall Farmers be liable for a greater amount than it would cost the insured named to repair or replace property lost or damaged with material of like kind and quality with proper deduction for depreciation or deterioration. Farmers' liability for the contents of any missing container or any missing articles packed by anyone other than Movestar or its agent shall not exceed \$75.00, unless the container and contents are separately listed and then only if the value there is specifically declared on such list.

b. The insurance afforded by Farmers' excludes loss or damage from inherent vice, extremes in temperature, moths, insects, vermin, wear or tear, deterioration, or dampness of atmosphere.

c. Farmers' insurance does not apply to loss due to war, invasion, civil war, insurrection, rebellion or revolution, or confiscation.

d. Farmers' insurance does not apply to loss or damage due to and resulting from any cleaning, repairing, restoration or retouching process, unless caused by fire.

e. Farmers' insurance does not apply to loss or damage to articles of peculiarly inherent or extraordinary value such as but not limited to bank bills, coins or currency, deeds, notes, drafts or valuable papers of any kind, jewelry,

postage or revenue stamps, coin or stamp collections, letters or packets of letters, precious stones, precious metals or articles manufactured therefrom except items of the latter common to the usual household, such as silverware.

f. Farmers' insurance does not apply to the mechanical or electrical derangement of television sets, radios, refrigerators, deep freezers, washing machines, unless evidenced by external damage to such equipment.

g. In the event of loss or damage to any article, pair or set of articles consisting, when complete for use, of several items Farmers shall only be liable for the value of such item without respect to any special value claimed for such item as a part of the article, pair or set of articles.

h. Insurance for customer's goods in storage may be cancelled by the insured at any time; or it may be cancelled by Farmers upon ten (10) days written notice mailed to the insured. Notice mailed to the last known address of the insured shall be deemed sufficient notice.

MOVESTAR'S LIABILITY AS TO DAMAGES: If a customer elects not to purchase the extended Transit Insurance coverage, Movestar's liability will be limited to \$200.00 per move.

Movestar reserves the right to either repair or replace any damaged item.

Any claim for damages must be made in writing within 90 days after the conclusion of the relocation.

Movestar reserves the right to decline any claim based upon a full and complete investigation of all facts and subject to the following exclusions:

a. Property self-insured by Movestar will not exceed the actual cash value of the property at the time and place of such loss. Payment of any claim submitted to Movestar shall not exceed a total per move of \$200.00. Movestar shall not be liable for a greater proportion of any loss or damage than the amount customer bears to 100% of the actual cash value of the property at the time of loss, up to its limit of \$200.00 per move. In no event shall Movestar be liable for a greater amount than it would cost the customer to repair or replace property lost or damaged with material of like kind and quality with proper deduction for depreciation or deterioration, up to the \$200.00 stated limit. Movestar's liability for the contents of any missing container or any missing articles packed by anyone other than Movestar or its agent shall not exceed \$75.00.

b. The self-insurance afforded by Movestar excludes loss or damage from inherent vice, extremes in temperature, moths, insects, vermin, wear or tear, deterioration, or dampness of atmosphere.

c. Movestar's self-insurance does not apply to loss due to war, invasion, civil war, insurrection, rebellion or revolution, or confiscation.

d. Movetar's self-insurance does not apply to loss or damage due to and resulting from any cleaning, repairing, restoration or retouching process, unless caused by fire.

e. Movestar's self-insurance does not apply to loss or damage to articles of peculiarly inherent or extraordinary value such as but not limited to bank bills, coins or currency, deeds, notes, drafts or valuable papers of any kind, jewelry, postage or revenue stamps, coin or stamp collections, letters or packets of letters, precious stones, precious metals or articles manufactured therefrom except items of the latter common to the usual household, such as silverware, and then only up to the stated \$200.00 limit per move.

f. Movestar's self-insurance does not apply to the mechanical or electrical derangement of television sets, radios, refrigerators, deep freezers, washing machines, unless evidenced by external damage to such equipment.

g. In the event of loss or damage to any article, pair or set of articles consisting, when complete for use, of several items Movestar shall only be liable for the value of such item without respect to any special value claimed for such item as a part of the article, pair or set of articles, up to the stated \$200.00 per move.