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SURFACE TRANSPORTATION BOARD

DECISION

Docket No. RR 999 (Amendment No. 5)

RELEASED RATES OF MOTOR COMMON CARRIERS
OF HOUSEHOLD GOODS

Digest:¹ The Board clarifies certain portions of the decision served January 21, 2011, which provided additional protection for customers of interstate moving companies who experience damage to, or loss of, their household goods.

Decided: January 10, 2012

Although the Surface Transportation Board does not regulate most aspects of the operations of motor carriers of household goods (moving companies or movers), it is charged with oversight of the movers' tariffs, *i.e.*, the documents setting forth the rates that the movers charge for the services they offer. In that capacity, the Board has authorized movers to set certain "released rates," which are lower rates for moves for which the customer agrees to release the mover from its full liability for potential loss and damage to the customer's cargo. There are currently 2 generally applicable liability levels for interstate household goods moves, one that reimburses the consumer for the replacement value of his or her goods, and one that reimburses the consumer at a rate of 60-cents-per-pound.

In a decision served January 21, 2011 (January Decision), the Board implemented a Congressional directive to enhance consumer protection in the case of loss or damage that occurs during interstate household-good moves.² First, the January Decision required movers to provide certain information concerning the 2 available cargo-liability options on the written estimate form—the first form that a moving company must give to a customer. Second, pending further evidence and comment, the January Decision tentatively raises the dollar value levels used in reimbursing a consumer under the replacement-value option for lost or damaged goods when the consumer had not declared in advance how much the goods were worth.

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. Policy Statement on Plain Language Digests in Decisions, EP 696 (STB served Sept. 2, 2010).

² See Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), § 4215, Pub. L. No. 109-59, 119 Stat. 1144, 1760 (2005). The Board published notice of the January Decision on January 31, 2011 (76 Fed. Reg. 5,431).

Three parties filed comments in response to the January Decision: American Moving and Storage Association (AMSA, a national trade association for the moving industry); and 2 consultants to the industry, Patricia Jennings and Joseph Harrison.

In this decision, the Board modifies the requirement in the January Decision that certain information be put on the estimate form, and it adopts the raised value levels. The Board also clarifies other aspects of the January Decision, including the application of these changes to household-goods freight forwarders.³

BACKGROUND

As explained more fully in the January Decision, there are 2 types of rates, corresponding to levels of liability, which a mover can offer. The Interstate Commerce Act (IC Act) requires that the mover offer what are known as “full-value” rates, which are rates under which the carrier will be liable for the full value of any lost or damaged cargo. Full-value has been defined by statute to mean the “replacement value” of the goods, i.e., the cost to the consumer to replace the items lost or damaged. 49 U.S.C. §14706(f)(2).

Alternatively, the Board and its predecessor agency, the Interstate Commerce Commission (ICC), have authorized moving companies to offer consumers a lower, “released” rate under which the mover assumes less than the statutory level of cargo liability for an interstate move. Under this authority, the industry developed a released rate with a recovery level of 60-cents-per-pound per article (the 60-cents option) for loss or damage.

In practice, most moving companies call the rate they charge for the 60-cents option the “base rate” for a move. When a consumer does not select the 60-cents option, the move has full-value protection, which is equivalent to replacement value. For a move under full-value protection, the consumer typically pays the base rate plus an added fee based upon the value the consumer places on the household goods being moved.⁴ When selecting full-value protection for a move, the consumer is prompted to write on the moving document a total value for the goods: a “declared value.” This declared value becomes the maximum amount for which the moving company would be liable in the event of a total loss of the customer’s shipment. If the consumer

³ A freight forwarder of household goods is an entity other than a motor carrier that holds itself out to the public to provide household-goods transportation by assembling and consolidating shipments, assuming responsibility for the transportation, and using other carriers (such as motor carriers or water carriers) to provide the actual transportation. 49 U.S.C. § 13102(8).

⁴ Typically, moving companies charge added fees that rise based on brackets of value, for example, \$10,000 to \$14,999; \$15,000 to \$19,999.

elects full-value protection but neglects to provide a declared value, a formula authorized by the Board determines the moving company's maximum liability and the charges for the move.

Below, we will outline the 2 major requirements that the Board imposed in the January Decision and explain the modifications that we adopt here. After describing the modifications, we will clarify various other elements of movers' authority to charge released rates. Finally, we will discuss the application of the January Decision and this decision to household-goods freight forwarders.

DISCUSSION AND CONCLUSIONS

I. Valuation Statement and New Notice.

A consumer hiring a moving company for an interstate move long has been required to sign a statement (Valuation Statement) either: (1) declaring a total value for a shipment; or (2) electing the 60-cents option.⁵ In addition, moving companies must inform shippers of their rights and obtain a signed waiver if the shipper elects anything other than full-value protection. See Released Rates of Motor Common Carriers of Household Goods, RR 999 (Amendment No. 4) (STB served June 13, 2007). Although the voluntary waiver of full-value protection is a part of the Valuation Statement, it appears that consumers do not always realize that they have arranged a move under the 60-cents option until they experience damage to or loss of their goods.⁶

A. Placement and Contents of Valuation Statement.

Typically, a mover provides 3 forms to the consumer in an interstate move, in the following order: estimate form, order for service, and bill of lading (BOL), which is the contract for the move. Prior to the January Decision, the Valuation Statement was required to be placed on either the order for service or the BOL, both of which are provided to the consumer later than the estimate form.⁷

⁵ E.g., Released Rates of Motor Common Carriers of Household Goods, 9 I.C.C.2d 523, 526 (1993).

⁶ According to Ms. Jennings, at 2, the majority of household-goods cases submitted for arbitration are disputes where the customer has selected the 60-cents option, damage has occurred to the goods, and the customer expected to be reimbursed for the replacement value of the goods.

⁷ RR 999 [formerly MC 999] (Amendment No. 3) (ICC served Oct. 25, 1995) (1995 Order); see also 49 C.F.R. § 375.505(e).

In the January Decision, we found that providing the Valuation Statement on the first of the required forms—the estimate—would give the consumer notice from the start that there is an available option under which the household goods would be protected at replacement value, up to the declared value of the shipment. The required Valuation Statement, including selection of liability level, was provided in Attachment A to the January Decision.

AMSA objects to requiring the Valuation Statement on the estimate form, on the ground that it would force consumers to select the liability level for their move too early in the process, often prior to the consumer learning about the 2 liability options. AMSA adds that consumers might not read the Valuation Statement on the estimate form because it is lengthy and contains technical language. Instead, AMSA suggests requiring a shorter, less technical disclosure on the estimate form (at the beginning of the process) and placing the consumer’s selection of liability option on either of the later forms—the order for service or the BOL.

We agree with AMSA on this issue. If the estimate form contains a Valuation Statement, including the place to select the mover’s liability, it could well lead a consumer to make the selection of a liability level prior to having sufficient time to learn about the 2 available options. Therefore, we will make the following 2 modifications to the January Decision.

1. *Required Notice on Estimate.* As suggested by AMSA, we will require a shorter notice to be placed in a conspicuous place on the estimate form to notify the consumer early on that it will need to select a liability option at a later time. The brief notice also refers a potential customer to 2 sources of further information on the 2 liability levels and their meaning. The required wording of the notice is set forth in Appendix 1 to this decision. Because the notice is brief, it should easily fit into either written or electronic forms used by moving companies.

2. *Valuation Statement Required on BOL.* Regarding the lengthier Valuation Statement, AMSA asks that we continue the pre-January Decision practice of requiring the Valuation Statement (including the customer’s selection of the mover’s liability) on either: (1) the order for service; or (2) the BOL. AMSA correctly states that, under the current requirements, if the Valuation Statement is on the order for service, the BOL must likewise show the declared value of the entire shipment that was previously executed by the customer on the order for service.⁸

We find it in the public interest to require the Valuation Statement on the BOL rather than giving movers an option. As AMSA points out, courts look to the BOL to determine whether a customer agreed in writing to limit a mover’s liability.⁹ The customer should not have to check the BOL for a correctly filled-in value that he or she provided earlier. Requiring the Valuation Statement and selection of liability on the BOL, which is the last form the moving company gives to a customer, should maximize the time for the customer to learn about, and

⁸ See n.8, supra.

⁹ AMSA Comments 12.

choose between, the 2 liability options. This placement also will implement AMSA's statement that customers "should be permitted to change their valuation selection on the moving contract (bill of lading) right up until the time that their shipments are loaded onto a moving van."¹⁰ For these reasons, we will require the Valuation Statement/selection of liability on the BOL. The required Valuation Statement (including liability selection) is set forth in Appendix 2 to this decision.

3. *Summary of these changes.* As discussed earlier, movers will now be required to place on the estimate form they provide to consumers a short notice advising that they will later select between 2 options for moving company liability. We will now require the placement of the full-length Valuation Statement containing the liability selection only on the BOL. These new requirements reverse the corresponding portions of the January Decision and the 1995 Order.

B. Size of Type.

To attract the consumer's attention and enhance readability, the short notice informing of the 2 liability options must be printed in a prominent place on the written estimate and must be in at least 12-point type. This is the same size type as the Federal Motor Carrier Safety Administration (FMCSA) requires for the title and other important information on the cover of the publication, "Your Rights and Responsibilities When You Move" ("Your Rights"), which a moving company must give to a customer prior to executing an order for service.¹¹ If a moving company provides an estimate electronically, the notice must be of a size that would equate to 12-point type if the estimate were printed on 8-1/2 by 11-inch paper. The notice must include bold-face type where indicated in the appendices. As long as the notice is in a prominent place and is easy to read, we will allow moving companies to select the font and color of the type, as AMSA requests.

For the lengthier Valuation Statement required on the BOL, we will permit the use of a smaller type size in order to conserve space and printing costs. We disagree with AMSA's suggestion that 7-point type should be the minimum size, because such small type can be difficult to read. We will require the Valuation Statement to be in at least 10-point type on a printed form.¹² For any movers that provide a sample BOL on their website, the Valuation Statement must be of a size that would equate to 10-point type or larger when printed on 8-1/2 by 11-inch paper.

¹⁰ Id. at 9.

¹¹ See 49 C.F.R. § 375.213(c)(3).

¹² This size type is the minimum under a FMCSA regulation governing the contents of "Your Rights." See 49 C.F.R. § 375.213(c)(2).

II. Value Levels Under Full-Value-Protection Option.

A. Value Levels Set in January Decision Adopted.

When a customer selects full-value protection but does not provide a declared value for the shipment, the minimum valuation for the shipment is determined by a formula established by the Board as the higher of (A) a “minimum shipment value” or (B) the product of multiplying the weight of the shipment (in pounds) times a “per-pound value” (collectively, “the value levels”). In 2001, the Board authorized carriers to set the minimum valuation for a shipment at \$5,000 and the per-pound value at \$4.00 and permitted moving companies to adjust annually, according to a government consumer-price index: (1) the per-pound value and (2) the charges for full-value protection.¹³ In 2006, we authorized the use of a different, more accurate, government index to adjust the per-pound value and the charges for full-value protection: the Bureau of Labor Statistics Consumer Price Index—All Urban Consumers (All Items) (CPI-U).¹⁴

Seeking to set these figures closer to the replacement value of an average shipment of household goods, we tentatively adopted in the January Decision new value levels, subject to further evidence and comment: \$6.00 per pound and a minimum shipment value of \$6,000. No further evidence on the replacement value of household goods was filed, and all 3 commenters expressed support for these new values. In the absence of additional evidence, we affirm that, as of the effective date of this decision, the charges for full-value protection when the customer does not provide a declared value for a shipment will be the higher of \$6.00 per pound (which may be indexed annually) or \$6,000.

B. Indexing of the \$6.00 Per-pound Value Is Permitted but Not Mandatory.

The price of consumer goods included in a household move tends to rise over time. Accordingly, making an annual adjustment in the per-pound figure by using the authorized CPI-U would tend to keep the per-pound value closer to the statutory standard of “replacement value” for goods that are damaged or lost. Since Released Rates 2006, moving companies have authority to adjust annually the per-pound figure according to the CPI-U. Movers also may use the same index to adjust their charges for full-value protection. This annual indexing has always been optional and will remain so.

C. Different Value Levels from Those Authorized by the Board.

¹³ See Release Rates of Motor Common Carriers of Household Goods, 5 S.T.B. 1147, 1151 (2001) (Released Rates 2001).

¹⁴ See Released Rates of Motor Common Carriers of Household Goods, RR 999 (Amendment No. 4) (STB served July 26, 2006) (Released Rates 2006).

The 3 commenters claim that it could be harmful to consumers if the minimum per-pound value were set higher than \$6.00, because the correspondingly higher charges could make the full-value protection option too expensive for consumers. Commenters do not appear to object to the authorized annual adjustments to the \$6.00 figure, but rather to setting the base amount higher than \$6.00 per pound. We will set the minimum per-pound levels at \$6.00 per pound and \$6,000 per shipment, subject, as noted above, to voluntary indexing of the per-pound figure and of the mover's charges for full-value protection.

D. Moving Companies May Seek FMCSA Authority to Change the Value Levels Published in the Brochure "Your Rights."

As previously mentioned, under FMCSA regulations, movers must furnish to their customers a copy of "Your Rights," which movers may self-print. 49 C.F.R. § 375.213(b)(1). Mr. Harrison states that it could be confusing for a moving company to provide a copy of the "Your Rights" brochure containing the old value levels (\$4.00 per pound and \$5,000 minimum) that differ from those that the Board now requires to be included in the Valuation Statement on the BOL (\$6.00 per pound and \$6,000 minimum).¹⁵ Mr. Harrison asks us to authorize moving companies to alter the contents of "Your Rights" to reflect the new value levels.

The Board does not have authority to authorize a deviation from a regulation by another agency, such as FMCSA. We suggest that moving companies seek FMCSA's authority to alter the contents of "Your Rights" in order to make that agency conform to the new value levels. A copy of this decision will be served on the FMCSA to apprise that agency of the change to the value levels authorized under this decision.

III. Moving Companies May Select Deductible Levels (if any).

Since Released Rates 2001, 5 S.T.B. at 1153, moving companies have authority to offer deductibles in connection with full-value protection. In that decision, we authorized a request to allow 2 deductible levels, \$250 and \$500. As we stated in the January Decision, slip op. at 7, most consumers are familiar with the concept of deductibles because of their availability in insurance policies, and we provided a form that movers may use if they offer deductibles as an option under full-value protection. AMSA supports movers' ability to offer various deductible levels, not just the deductibles we authorized earlier.

In view of customers' familiarity with the concept of a deductible (applicable to most forms of insurance), we agree that movers should be able to offer a range of deductibles of their own choosing. This would, in turn, lead movers to offer customers a wider range of available rates for full-value protection, and could lead to more customers deciding that they can afford full-value protection. For that reason, we no longer will limit movers to offering only

¹⁵ Harrison Comments 5.

deductibles of \$250 and \$500. Appendix 3 provides language to be used by those movers who offer deductibles, explaining the deductibles offered by the particular mover and providing blanks for the mover to write in the dollar estimate of the cost of the customer's move under the various deductibles offered.¹⁶

IV. Moving Company Tariffs Must State the Charges for Full-value Protection.

Mr. Harrison comments that some moving companies do not, in their required tariffs, provide the charges for full-value protection and asks us to clarify that the charges for full-value protection must be included in a moving company's tariff.¹⁷ Indeed, the IC Act requires that movers maintain tariffs for interstate movements of household goods, that the tariffs contain the rates for these movements, and that a moving company may not charge or receive a different compensation than the rate specified in its tariff. 49 U.S.C. § 13702(a).¹⁸

Accordingly, we reiterate here that a moving company must include the charges for full-value protection in its tariff. If a moving company also offers the 60-cents option, the charges for moves under that option also must be stated in the company's tariff. For those movers that state their rates as a base rate plus a full-protection additive,¹⁹ both the base rate and the entire range of additives for full-value protection (including any offered deductibles) must be stated in the tariff.

V. Application to Binding-Estimate Moves.

Mr. Harrison asks us to clarify that the January Decision (like our prior decisions in the RR-999 docket) applies to moves in which there is a binding estimate. We will do that, but first we will give some background as to binding and nonbinding estimates.

Under the IC Act, moving companies must furnish to potential customers a written estimate,²⁰ which may be either binding²¹ or nonbinding. A binding estimate states charges to

¹⁶ Also included in Appendix 3 is optional language that movers may provide concerning the customer's need to provide an inventory of articles of extraordinary (unusually high) value that are included in the shipment. See January Decision 7.

¹⁷ Id. at 6.

¹⁸ A corresponding Board regulation, 49 C.F.R. § 1310.3, lists the content of tariffs for carriage of household goods, including "specific applicable rates."

¹⁹ The tariff of a mover that sets its full-value protection rates as a base-rate-plus additive would list both the dollar amount for the base rate and all of the dollar amounts above the base rate that would apply to a range of valuations under full-value protection, including the dollar amounts that would apply if the customer selects any deductibles that the mover offers.

²⁰ 49 U.S.C. § 14104(b)(1).

which both the moving company and the customer are bound. When used, the carrier must relinquish the goods upon the customer's payment of 100% of the binding estimate.²² In contrast, for a move under a nonbinding estimate, the carrier must relinquish the household goods upon the customer's payment of not more than 110 percent of the estimate.²³

There are various ways to estimate the cost of a move, including the weight of the goods or the cubic feet or linear feet that the goods occupy. For a binding estimate, the mover may use whatever estimating method it chooses, and as long as the customer agrees to the estimate, that is the price that should be charged for the move. For a move under a nonbinding estimate, by contrast, whatever the basis of the estimate, the charges actually billed to the customer must be based on weight.²⁴

Mr. Harrison expresses concern that some companies state on their paperwork that they are providing a binding estimate and base the estimate on something other than weight (a practice that, as indicated, is permissible for binding estimates). Then, however, without weighing the shipment, the companies instead charge the customer a higher amount than that provided on the binding estimate.²⁵ We make clear here that this practice would turn a binding-estimate move into a nonbinding estimate move, and is prohibited.

With respect to payment for loss or damage, a problem can arise in a binding-estimate move if the customer has selected full-value protection and there is loss or damage to the household goods. Because full-value liability for shipments that the customer has not valued (written in a declared shipment value) is based on the higher of a lump sum (\$6,000) or the shipment weight times \$6.00 per pound, it will be impossible to determine the carrier's liability on such shipments in the event of a total loss if the mover has never weighed a particular shipment. Mr. Harrison therefore seeks clarification that the requirements of our released rates decisions apply to binding estimates.

Although we are not generally involved in the day-to-day disputes between movers and their customers—our role is principally to establish appropriate standards for carrier tariffs and

(. . . continued)

²¹ Id. at § 13704(a)(1).

²² Id. at § 13707(b)(3)(A)(i).

²³ Id. at § 13707(b)(3)(A)(ii).

²⁴ Id. at § 14104(b)(1)(C)(iii).

²⁵ Harrison Comments 5. We recognize that there can be disputes about whether an estimate was intended to be binding. But even if an estimate were nonbinding, as explained above, the mover would have to release the goods upon the customer's paying 110% of the estimated price.

to address whether the rates in those tariffs are reasonable—we agree with Mr. Harrison that a carrier that has offered a binding estimate should not then charge a higher amount than was offered in the estimate. We also agree that the procedures we establish in this decision (and in earlier RR-999 decisions) apply to binding estimates as well as weight-based services not provided under binding estimates.

The full-value protection levels we have discussed in this decision are used to ascertain a mover's charges—that is, to provide the basis for the full-valuation rate level that the statute requires each mover to offer—and they are also used to determine a mover's maximum cargo liability if the customer's goods are lost or completely destroyed. Under a binding estimate move, however, if a moving company does not have the loaded truck weighed at a certified scale, it would not be possible to determine the figure comprising the weight of the shipment times \$6.00 per pound.

For that reason, we also clarify here that, for a binding estimate move in which the customer selects full-value protection but neglects to declare a total value, the moving company must have the weight of the shipment recorded at a certified scale. In the event of total loss of the shipment, the certified weight would be used to ascertain the mover's maximum liability. Absent a certified weight, if the goods are lost or damaged beyond repair, the mover would be liable for the replacement value of all of the damaged/lost goods, with no dollar limit (*i.e.*, the statutory standard of carrier liability). Accordingly, we clarify that these released rates requirements apply to both types of estimates, binding and nonbinding.

VI. Application to Moving Companies and Freight Forwarders.

A. Interstate Truck Transportation.

Mr. Harrison has asked us to clarify that the requirements of our released rates decisions apply to movers providing interstate moves in all-truck service.²⁶ That is correct. Therefore, when a mover transports household goods in an interstate move conducted solely by truck, the only means to limit cargo liability is through compliance with our released rates decisions [RR 999 (Amendments No. 4 and 5)], including this decision.²⁷ As a result, these released rates decisions apply to all household goods movers that desire to offer a rate limiting their liability on interstate moves to anything less than replacement value of the goods.

B. Freight Forwarders of All-Motor Shipments.

²⁶ Interstate moves that include both a portion moving by truck and a portion moving by ocean carrier are discussed below in part B.

²⁷ To our knowledge, the only ICC and Board authorizations for movers to offer (and charge) released rates are those issued in this docket, RR 999 (Amendments No. 4 and 5).

AMSA asks us to clarify whether the requirements of the January Decision concerning movers also apply to freight forwarders of household goods for their domestic-trade (all-truck) shipments. We clarify that, when a household-goods freight forwarder arranges an interstate shipment that will move only by motor carrier, the freight forwarder must comply with all the requirements of our released rates decisions [RR 999 (Amendments 4 and 5)], as described here and in the January Decision, to limit liability to anything other than replacement value, with no dollar limit. Therefore, to limit cargo liability, the entity that deals with a customer must furnish documents complying fully with this decision.

C. The Requirements Differ for Freight Forwarders of Household-Goods Shipments That Include Both Motor and Water Segments.

In the January Decision, slip op. at 9-11, we explained at length that the statutory liability requirements differ for a motor-ocean joint movement between the 48 contiguous states and: (1) Alaska, (2) Hawaii, (3) U.S. territories or possessions, or (4) a place in a foreign country. As a result, freight forwarders in this trade are required to provide a different liability-disclosure statement on the BOL for household-goods shipments involving both motor and ocean segments. The statement required for these moves is reproduced in Appendix 3 to this decision.

This decision will not significantly affect either the human environment or the conservation of energy resources.

It is ordered:

1. The January Decision is clarified as set forth above.
2. This decision and the January Decision are effective on April 2, 2012.

By the Board, Chairman Elliott, Vice Chairman Mulvey, and Commissioner Begeman.

APPENDIX 1

NOTICE REQUIRED ON ESTIMATE FORM/COMPUTER SCREEN

The following notice shall be placed in a prominent place, in at least 12-point type, on a moving company's required written estimate (if printed). If the estimate is provided electronically, this statement must be of a size that, when printed on 8 by 12 inch paper, equates to 12-point type.

WARNING: If a moving company loses or damages your goods, there are 2 different standards for the company's liability based on the types of rates you pay. **BY FEDERAL LAW, THIS FORM MUST CONTAIN A FILLED-IN ESTIMATE OF THE COST OF A MOVE FOR WHICH THE MOVING COMPANY IS LIABLE FOR THE FULL (REPLACEMENT) VALUE OF YOUR GOODS** in the event of loss of, or damage to, the goods. This form may also contain an estimate of the cost of a move in which the moving company is liable for **FAR LESS** than the replacement value of your goods, typically at a lower cost to you. You will select the liability level later, on the bill of lading (contract) for your move. Before selecting a liability level, please read "Your Rights and Responsibilities When You Move," provided by the moving company, and seek further information at the government website "www.protectyourmove.gov."

APPENDIX 2

VALUTION STATEMENT REQUIRED ON BILL OF LADING

The following notice shall be placed in a prominent place, in at least 10-point type, on a moving company's required bill of lading (if printed). If the bill of lading is provided electronically, this statement must be of a size that, when printed on 8 by 12 inch paper, equates to 10-point type.

REQUIRED VALUATION CLAUSE AND ESTIMATE OF COST OF SHIPMENT AT FULL-VALUE PROTECTION

THE CONSUMER MUST SELECT ONE OF THESE OPTIONS FOR THE CARRIER'S LIABILITY FOR LOSS OR DAMAGE TO YOUR HOUSEHOLD GOODS

CUSTOMER'S DECLARATION OF VALUE

**THIS IS A STATEMENT OF THE LEVEL OF CARRIER LIABILITY
—IT IS NOT INSURANCE**

Option 1:

The Cost Estimate that you receive from your mover MUST INCLUDE Full (Replacement) Value Protection for the articles that are included in your shipment. If you wish to waive the Full (Replacement) Value level of protection, you must complete the WAIVER of Full (Replacement) Value Protection shown below.

Full (Replacement) Value Protection is the most comprehensive plan available for protection of your goods. If any article is lost, destroyed, or damaged while in your mover's custody, your mover will, at its option, either: 1) repair the article to the extent necessary to restore it to the same condition as when it was received by your mover, or pay you for the cost of such repairs; or 2) replace the article with an article of like kind and quality, or pay you for the cost of such a replacement. Under Full (Replacement) Value Protection, if you do not declare a higher replacement value on this form prior to the time of shipment, the value of your goods will be deemed to be equal to \$6.00 multiplied by the weight (in pounds) of the shipment, subject to a minimum valuation for the shipment of \$6,000. Under this option, the cost of your move will be composed of a base rate plus an added cost reflecting the cost of providing this full value cargo liability protection for your shipment.

If you wish to declare a higher value for your shipment than these default amounts, you must indicate that value here. Declaring a higher value may increase the valuation charge in your cost estimate.

The Total Value of my shipment is: _____ (to be provided by customer)

**Dollar Estimate of the cost of your move at Full (Replacement) Value Protection:
_____ (to be provided by carrier)**

I acknowledge that for my shipment I have: 1) **ACCEPTED** the Full (Replacement) Level of protection included in this estimate of charges and declared a higher Total Value of my shipment (if appropriate); and 2) received a copy of the "Your Rights and Responsibilities When You Move" brochure explaining these provisions.

X _____
Customer's signature Date

-----OR-----

Option 2:

WAIVER of Full (Replacement) Value Protection. This lower level of protection is provided at no additional cost beyond the base rate; however, it provides only minimal protection that is considerably less than the average value of household goods. Under this option, a claim for any article that may be lost, destroyed, or damaged while in your mover's custody will be settled based on the weight of the individual article multiplied by 60 cents. For example, the settlement for an audio component valued at \$1,000 that weighs 10 pounds would be \$6.00 (10 pounds times 60 cents).

Dollar Estimate of the cost of your move under the 60-cents option: _____.

COMPLETE THIS PART ONLY if you wish to WAIVE The Full (Replacement) Level of Protection included in the higher cost estimate provided [above] [on the prior page] for your shipment and instead select the LOWER Released Value of 60-cents-per-pound Per Article; to do so you must initial and sign on the lines below-

I wish to Release My Shipment to a Maximum Value of 60-cents-per-pound per Article _____

(Initials)

I acknowledge that for my shipment I have: **1) WAIVED the Full (Replacement) Level of protection, for which I have received an estimate of charges, and 2) received a copy of the "Your Rights and Responsibilities When You Move"** brochure explaining these provisions.

X _____

Customer's signature

Date

APPENDIX 3

(Optional language that carriers may choose to include in the Required Valuation Clause printed in Appendix 2)

Deductibles

You may also select one of the following deductible amounts under the Full (Replacement) Value level of liability that will apply for your shipment. (If you do not make a selection, the “No Deductible” level of full value protection that is included in your cost estimate will apply):

[List here all deductibles offered, with a space to fill in the estimate of cost of a full value move at that deductible filled in]

Amount of Deductible and (Estimate of Total Cost of Move)	Customer to write initials beside selected deductible
\$0 Deductible (_____)	_____ (Customer writes in initials to Select a deductible)
\$XXX Deductible (_____)	_____
\$XXX Deductible (_____)	_____
\$XXX Deductible (_____)	_____

And so on.

Declaration of Article(s) of Extraordinary (Unusual) Value

I acknowledge that I have prepared and retained a copy of the “Inventory of Items Valued in Excess of \$100 Per Pound per Article” that are included in my shipment and that I have given a copy of this inventory to the mover’s representative. I also acknowledge that the mover’s liability for loss of or damage to any article valued in excess of \$100 per pound will be limited to \$100 per pound for each pound of such lost or damaged article(s) (based on actual article weight), not to exceed the declared value of the entire shipment, unless I have specifically identified such articles for which a claim for loss or damage may be made, on the attached inventory.

X _____
(Customer’s Signature) **(Date)**

APPENDIX 4

The following notice shall be placed on the bill of lading for household goods shipments involving a motor carrier segment and an ocean segment.

The provisions of the Carriage of Goods by the Sea Act and/or of 49 U.S.C. 14706(f)(2) (a provision in the Interstate Commerce Act) permit us to offer “released” rates (reduced rates under which you will not be fully reimbursed if your shipment is lost, damaged, or destroyed), but they also require that we offer rates that will better protect a consumer in the event of loss or damage to a shipment. Under the rates offered here, your reimbursement in the event of loss will be limited to _____.

We also offer higher levels of protection (at higher rates). Signing this document below indicates that you agree to pay and be bound by the terms of the released, limited-recovery rates.

(Customer’s Signature)

(Date)
