

# ***Moving and Storage Firms***

Revision : Tuesday, February 28, 2012

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## **SIC CODES AND CLASSIFICATIONS**

4226 Special Warehousing and Storage, Not Elsewhere Classified  
4212 Local Trucking Without Storage  
4213 Trucking, Except Local

## **NAICS CODES AND CLASSIFICATIONS**

484210 Used Household and Office Goods Moving  
493110 General Warehousing and Storage  
493190 Other Warehousing and Storage

## **RELATED CLASSIFICATIONS**

Freight Brokers  
Trucking - Long Haul

## **RISK DESCRIPTION**

Moving and storage companies transport household goods (personal effects and property used in a dwelling); fixtures, equipment and property of stores, offices, museums, institutions, hospitals, or other establishments; and articles, including objets d'art, displays, and exhibits, which due to their unusual nature or value, will require the specialized handling and equipment usually employed in moving household goods. There are approximately 8,100 moving and storage companies operating at 17,000 locations in the United States, most of which are small, family-run businesses, employing over 122,000 workers.

In addition to transporting goods, moving and storage companies frequently offer packing, unpacking, crating, and warehousing services. Some firms will operate warehouses to temporarily store customers' goods while in transit; others

will accept goods from anyone for long-term storage. Some firms will specialize in the transportation of scenery and displays for trade shows, plays, concerts, and museum exhibitions, and a few firms specialize in moving electronic equipment (e.g., computer systems). Firms that move large, heavy pieces of industrial machinery will not be covered in this report, the underwriter should review the Riggers report for a complete discussion of the unique hazards and loss controls involved in that process.

Moving companies will transport household goods locally, intrastate, interstate, or internationally. According to statistics compiled by the American Moving and Storage Association (AMSA), national industry revenue totals more than \$16.5 billion annually; 97.3% of revenue comes from the following: 69.6% from local or long distance transportation services, 20.2% from warehousing and storage services, and 7.5% from packing and packaging services.

Intrastate companies are under the jurisdiction of state public utility commissions (PUCs) or other state agencies that regulate rates and services of common and contract carriers. In the United States, the Surface Transportation Board, an affiliate department of the federal Department of Transportation (DOT), has jurisdiction over certain moving van company rate matters. To protect US consumers, the Federal Highway Administration (FHWA) prepared *Rights and Responsibilities When You Move*, a booklet on regulations that define the rights and responsibilities of consumers and household goods movers that must be provided to individual shippers as required by 49 CFR 375.213.

Moving companies are considered common carriers. A common carrier is one that will furnish transportation for compensation without discrimination to all members of the public who apply, assuming that the goods to be carried are legal and properly packed and that the facilities of the carrier are available. A carrier may refuse to transport a shipment for a number of reasons, such as having no trucks available; the size of the shipment or its origin or destination, however, are not justification for refusal. Carriers may be permitted to impose an embargo (temporary suspension of services) on traffic that they cannot handle due to factors beyond their control. When such an embargo has been imposed, the carrier is required to notify the regulatory agency and indicate when the embargo will be lifted. For example, the moving company may not have enough trucks or employees available to transport a client's goods on the day they want and may refuse to accept the business.

Goods are transported in tractor-trailers, called vans by the industry. Most moves require a driver and one to three assistants; all workers will load the customer's belongings into the van and then unload them into the new dwelling. Additional employees may be needed if the customer requests packing and unpacking services. Drivers of moving vans may be: owner-operators (i.e., drivers who own their own tractors, use company trailers, and are paid a percentage of the commission based on a percentage of the load); operators (i.e., drivers who use the company's tractor and trailer and are paid on a commission basis lower than that for owner-operators); or company operators (i.e., drivers employed by the moving company). Regardless, all drivers must have a current commercial driver's license (CDL) issued by the state in which the driver resides.

Most moving and storage companies will meet with customers to review the goods to be shipped and give customers price quotes. The cost of a move will depend upon the weight and nature of the shipment, the distance traveled, and if any additional services, such as packing, are requested as well as the level of insurance coverage requested by the customer. Generally, customers will pay extra for packing, unpacking, crating, and storage services, and will be charged for all packing materials provided by the company. Extra workers, or overtime pay for workers, will also increase costs.

The 2007 US Census estimated that there were 3 million interstate household goods moves, and in 2010, AMSA noted that the top 10 active states for inbound moves were: Alaska (63% of shipments inbound), Vermont (57%), Oregon (57%), Kentucky (57%), Texas (56%), North Carolina (56%), Colorado (55%), Tennessee (55%), District of Columbia (54%), and South Carolina (54%). The states most active with outbound household goods were: Michigan (62% shipments outbound), New Jersey (60%), Illinois (59%), New York (57%), Ohio (57%), Kansas (56%), Maine (55%), Connecticut (55%), Indiana (53%), and Oklahoma (53%).

Minor damage to customers' belongings while in transit is common. All moving companies are required to assume liability of goods in transport. Under US federal law, interstate movers must offer two different liability options referred to as valuation coverage: full value protection and released value.

Under full value protection, movers are liable for the replacement value of lost or damaged goods in the entire shipment. Unless a customer selects the alternative level of liability, released value, movers will transport shipments under full value, and if any article is lost, destroyed, or damaged while in the insured's custody, the mover will either repair the item, replace with a similar item, or make a cash settlement for the cost of the repair or the current market replacement value. Under this protection, movers are permitted to limit their liability for loss or damage to items of extraordinary value (i.e., items whose value exceeds \$100 per pound, such as jewelry, silverware, furs, china, antiques), unless specifically listed by the customer on the shipping documents. Full value protection costs vary by mover and are subject to various deductible levels of liability.

Released value is offered by movers at no additional charge to customers; however, the level of protection is minimal. Under this option, the mover assumes liability for no more than 60 cents per pound per article. For example, if a 10-pound audio or stereo component that is valued at \$1,000 is lost or damaged, the mover will compensate the customer according to the weight of the item and not its actual value; the customer would receive \$6.00 for the damaged/lost item. If the customer does not agree to the released value, the customer's shipment will automatically be transported at the Full Value Protection level of liability.

Full protection and released value are not insurance policies governed by state insurance laws, they are federal contractual levels of liability authorized under the Released Rated Orders of Surface Transportation Board of the US Department of Transportation.

Moving and storage companies may also offer to sell or obtain for customers separate liability insurance if the customer selected released value. The cost of the additional insurance is not included in the basic move and must be purchased separately by the customer; this is optional insurance regulated by state law. If purchased, the moving company remains liable for up to 60 cents per pound per article; the rest of the loss is recoverable from the insurance company up to the amount of insurance purchased.

Prior to a move, the mover estimates the cost based on the expected weight, the distance of the trip, and any extra services to be provided. At the time of the pickup, the mover gives the customer a bill of lading, which serves as a receipt for the goods and represents the contract of carriage. The bill of lading identifies the degree of the mover's liability for loss or damage to the goods moved and also indicates the valuation option chosen by the customer. For an additional charge, the mover may supply packing containers and materials and do the packing and unpacking; if requested, the mover may also arrange to have stoves, refrigerators, washing machines, and other equipment serviced to protect their mechanisms during the move.

When the mover arrives to pick up the goods, an inventory of all articles to be shipped is conducted, with a notation showing the condition of the items; the inventory is then signed and dated by the customer. On local hauls, the driver and the assistants travel on the truck; on long hauls, the driver is alone and assistants are obtained from a local agent or union.

Before the goods are picked up, the moving van with the driver is weighed, and the weight is shown on weight tickets issued by a certified weigh master. After loading, the van is again weighed with the driver by a certified weigh master or on a certified scale. Shippers may be present at either or both weigh-ins, if they desire. The weight information is included on the weight tickets, the bill of lading, and the vehicle load manifest. If a certified scale is not available, a constructive weight based on seven pounds per cubic foot of properly loaded van space may be used.

Movers will use dollies, hoists, and handcarts to move clients' belongings onto and off of the moving van. Movers may unplug or disconnect appliances and take apart large items, such as beds. Some items, such as pianos will require special handling. Goods are packed into the van as tightly as possible, and delicate objects (i.e., mirrors) may be strapped to the interior sides of the van. Blankets and other padding will be used to cushion and protect goods. The goods will be transported to their final destination. In some cases, the customer will need the goods to be stored temporarily in the mover's warehouse before arriving at the final destination. This may require the goods to be unloaded from the van and reloaded at a later date.

At the request of the shipper, the goods may be held in storage for later delivery for no longer than 180 days. During the 180-day period, the mover is held liable as a common carrier, and the liability is substantially greater than the negligence liability of the warehouseman. If the goods remain in storage beyond 180 days, liability is that of the warehouseman, and a new contract (called a warehouse receipt) must be signed. For the new contract to become valid, however, the mover must notify the customer, in writing, that the 180 days are up, and the mover must obtain the customer's signature on the new contract.

When the goods arrive at the final destination, they will be unloaded and put where the customer indicates. Upon completion of the delivery, the shipper makes notations of lost or damaged articles and signs the delivery receipt, the inventory, or both. At this time, the shipper will pay the mover; most movers accept only certified checks, cashier's checks, or cash.

If the shipper files a claim with the mover, the mover is required to acknowledge the claim in writing within 30 days after receipt, and within 120 days, must pay the claim, decline, or make a firm compromise settlement offer in writing. If unable to settle the claim within that period, the mover must notify the customer in writing at that time and every 30 days thereafter of the status of the claim and the reasons for the delay in making a final disposition.

The moving and storage company's office may be freestanding or part of a multiple-occupancy structure, such as an office building. Since their operations occur off site, moving and storage companies do not require them to be located in a particular area; however, those insureds that have warehouse facilities may require expansive space. The layout of most

moving and storage companies will generally consist of a reception area, offices, a sales area if the insured sells moving boxes and supplies, storage warehouses (for some insureds), a garage or fenced-in parking area, repair/service area, and restrooms.

Generally, the office hours for moving and storage companies are between 8 a.m. and 6 p.m., Monday to Saturday. Drivers and assistants who are driving the trucks, moving the goods, and/or loading or unloading trucks will work a more flexible schedule, working longer hours and even on weekends to accommodate peak-season demands.

Because of the warmer weather, over 60% of a US moving and storage company's business will be done between Memorial Day (the last Monday of May) and Labor Day (the first Monday of September). This peak season often puts a strain on the company's manpower and equipment; 24-hour operations are common during the peak season, as are the use of rented or leased trucks. Because most apartment leases expire at the beginning of the month, moving firms will also have more business at the beginning and end of each month.

Aside from the drivers themselves, most moving and storage company's staff will be few and include assistants who travel with drivers and load and unload trucks and office personnel. Larger moving companies may employ salespeople/estimators, claims and customer service personnel, dispatchers, and truck mechanics. Some firms will also have in-house crate carpenters.

## MATERIALS AND EQUIPMENT

Tractor-trailer combinations, including box trailers, flatbed trailers.

Materials-handling equipment: hydraulic lifts, forklifts, pallet movers, hand trucks, dollies, hand tools.

Garage and warehouse facilities: repair and maintenance equipment, truck parts and accessories, vehicle repair and servicing equipment, tires, motor oil and other automotive fluids, mechanics' tools, jacks, hydraulic lifts, battery chargers, etc.

Gasoline, diesel fuel, liquefied propane (LP)-gas, fuel pumps, tank monitoring system (TMS, for monitoring underground fuel storage tanks).

Satellite and portable communications equipment in trucks and at the office.

Office equipment: copiers, fax machines, computer workstations, furniture, telephones.

Packing materials: excelsior, paper, plastic, paperboard and fiberboard boxes, wood crates, barrels and containers, blankets and pads.

## EXPOSURES AND CONTROLS

### *Automobile Liability*

Exposures: Fleet of vehicles. Long hours on the road. Driving during hours of darkness. Traffic congestion. Road construction. Inclement weather. Electronic distractions. Possible long-haul exposure. Shifting cargo.

#### On-Site Inspection:

- ☐ What are the number, age, type, and condition of the insured's vehicles?
- ☐ Does the insured operate a fleet of vehicles?
- ☐ Where does the insured operate?
- ☐ What types of electronic distractions are present in the insured's vehicles?
- ☐ Does the insured have any of its vehicles equipped with two-way communication systems?
- ☐ Are any of the insured's phones voice-activated?
- ☐ Are any of the insured's fleet vehicles equipped with built-in or portable navigational devices?
- ☐ If the insured uses global positioning system (GPS) devices in its vehicles, has it selected models that are designed to be minimally distracting?
- ☐ Dash-mounted GPS devices positioned so that they do not block driver's view of or access to other vehicle gauges or controls
- ☐ Mounting unit sturdy and holds the GPS steady so that the view screen does not vibrate
- ☐ GPS units have screens and text that are clearly legible, as well as audio commands that are easily understood

#### Items to Investigate:

- ☐ Are the insured's vehicles owned or leased?
- ☐ Do the insured's employees ever use personal vehicles for business-related purposes? If so, has evidence of personal insurance at an acceptable level been obtained?

- ☐ If the insured operates in the United States, are its drivers familiar with Surface Transportation Assistance Act (STAA) roadways?
- ☐ Is the insured in compliance with all local and federal regulations involving vehicle dimensions and, if it operates in the US, use of national network (NN) routes?
- ☐ Frequency of travel
- ☐ Radius of operations
- ☐ Does the insured specialize in a particular segment of the moving industry, such as residential, industrial, or cross-country or international?
- ☐ Typical hazards faced by the insured's drivers
- ☐ Do the insured's drivers travel in suburban and rural areas?
- ☐ Are drivers ever required to operate their vehicles during hours of darkness?
- ☐ Does the insured require drivers to turn on their vehicle's headlights and use extra caution when driving in inclement weather?
- ☐ Drivers exercise extreme caution and reduce vehicle speed when hazardous weather conditions are prevalent
- ☐ Drivers – ages; experience levels; qualifications; CDLs current
- ☐ Have MVRs been obtained on all drivers?
- ☐ Are all interstate drivers in the US properly certified by the Department of Transportation (DOT)?
- ☐ Does the insured employ any drivers under the age of 25?
- ☐ Is there a safety training program in place?
- ☐ Are drivers familiar with and in compliance with hours-of-service provisions?
- ☐ Do the insured's drivers maintain a logbook? Do they update logbooks throughout the day?
- ☐ Does the insured use a service to check a driver's record prior to hiring?
- ☐ Have any of the moving company's drivers ever had his or her license suspended or revoked?
- ☐ If drivers are involved in an accident, do they provide detailed reports of the incident?
- ☐ Does the insured maintain copies of all accident reports required by the state or other governmental entities or insurers for a period of three years after an accident occurs?
- ☐ When moving trucks are not in motion, is the engine turned off and the transmission left in gear?
- ☐ How does the insured secure loads in transit?
- ☐ All furniture and moving boxes stacked safely and securely in trucks using straps of sufficient strength
- ☐ How often do drivers go to new or unfamiliar locations?
- ☐ If drivers venture into unfamiliar territory, what kinds of navigational assistance are provided – maps or global positioning system (GPS) devices?
- ☐ Drivers instructed to always input route information into the GPS device before engaging the vehicle
- ☐ What is the insured's policy regarding cell phone use while driving?
- ☐ Are driver safety courses offered that include cell phone safety tips (such as preprogramming frequently dialed numbers) for workers who do a lot of driving, particularly covering situations where they may be receiving messages at any time?
- ☐ Are employees instructed to never use their cell phones to compose, send, or read electronic messages while driving?
- ☐ Are drivers encouraged to pull off to the side of the road while talking on their cell phones or texting?
- ☐ Does the insured provide, and are drivers required to use, hands-free cell phone technologies, such as headsets or voice-activated dialing?
- ☐ What are the laws in the insured's areas of operation regarding cell phone use and electronic messaging while driving?
- ☐ Trucks inspected daily prior to and after each completed move
- ☐ Does the insured have a vehicle maintenance program in place?
- ☐ Who is responsible for maintaining and repairing the insured's vehicles?
- ☐ Is vehicle maintenance contracted out to experienced mechanics?
- ☐ Experience and qualifications of the insured's vehicle mechanics
- ☐ Employees and drivers not permitted to repair or assist in the repair of the insured's vehicles

### ***Automobile Physical Damage***

Exposures: Physical damage or theft of vehicles. Possible hazards include poor road conditions, heavy truckloads, and shifting cargo. Vandalism. High value of vehicles. Concentration of values when large number of fleet vehicles are stored in one location.

#### **On-Site Inspection:**

- ☐ What are the number, age, type, and condition of the insured's vehicles?
- ☐ Vehicles with limited views equipped with strategically placed mirrors to cover any blind spots
- ☐ Are vehicles with obstructed views equipped with warning alarms that sound when they are moving in reverse?

- ☐ Types of warning devices and gauges installed on the insured's trucks
- ☐ Are the insured's truck tires in good condition?
- ☐ Motor vehicles not operated on a tire that has a body ply (i.e., one or two layers of heat and impact-resistant, rubber-coated nylon or polyester cords that form the body of the tire) or belt material exposed through the tread or sidewall, has any tread or sidewall separation, is flat or has an audible leak, or has a cut to the extent that the ply or belt material is exposed
- ☐ Keys to all insured's vehicles kept on a keyboard, in individual lockboxes, or in a computerized key machine that requires an employee's personal identification code to be entered before it releases the requested keys
- ☐ If keyboards are used, are they placed in an NRTL-listed safe during off-hours?
- ☐ How are the insured's vehicles protected when not in use?
- ☐ What security measures are in place in locations where vehicles are routinely stored?
- ☐ All garage doors equipped with double-cylinder, deadbolt locks
- ☐ What type of alarm system has the insured installed? Is it connected to a central-station alarm monitoring system?
- ☐ Are lots well lit and "No Trespassing" signs clearly posted?
- ☐ Appropriate fire suppression devices located throughout the garage or lot
- ☐ Set of concealed identification numbers on all vehicles

#### Items to Investigate:

- ☐ Are the insured's vehicles owned or leased?
- ☐ Frequency of travel
- ☐ Radius of operations
- ☐ What are the ages, experience level, and qualifications of the insured's drivers?
- ☐ Drivers have current CDLs issued by the state in which they reside
- ☐ If drivers engage in interstate moving operations in the United States, are they certified by the Department of Transportation (DOT)?
- ☐ All drivers abide by federal standards for hours of service
- ☐ Does the insured require its drivers to turn on their vehicle's headlights before dusk and in the rain, fog, and snow?
- ☐ Drivers instructed to exercise extreme caution and reduce vehicle speed when hazardous weather conditions are prevalent
- ☐ Drivers not to exceed posted speed limits
- ☐ Who loads cargo on moving trucks?
- ☐ Do drivers inspect truck tires before and after each trip?
- ☐ Who is responsible for maintaining and repairing the insured's vehicles?
- ☐ Is vehicle maintenance contracted out? If so, what is the experience and qualifications of the service technicians and mechanic?
- ☐ Employees and drivers not permitted to repair or assist in the repair of the insured's vehicles
- ☐ Vehicle maintenance program in place
- ☐ Do the insured's drivers complete a written inspection report about the truck's operation?
- ☐ Who is responsible for key control of the insured's vehicles?
- ☐ How many vehicles are generally stored at any one time in the insured's garages or protected by a fenced lot?
- ☐ Has the firm hired a night/weekend security service to patrol its parking lots?
- ☐ Has the insured ever experienced a vehicle theft or incident of vandalism?

### ***General Liability: Premises and Operations***

Exposures: Few visitors to the premises; most operations conducted off site at customers' premises. Common office hazards, such as slips, trips, and falls. Third-party property damage during loading and unloading operations.

#### On-Site Inspection:

- ☐ What is the layout of the moving and storage company?
- ☐ Are "Employees Only" signs posted at entrances to all restricted areas, such as vehicle maintenance and refueling areas?
- ☐ Does the insured operate a warehouse on the premises?
- ☐ Office areas well maintained and free of debris and clutter
- ☐ Is there adequate aisle space between desks in office areas?
- ☐ Are electrical and telephone cords not stretched across walkways?
- ☐ Cords that must cross walkways kept covered with a mat or otherwise secured
- ☐ What is the condition of the insured's floors and floor coverings?
- ☐ Furniture and furnishings in good condition

- ☐ Stairs – in good condition; treads covered with nonskid materials; equipped with sturdy handrails
- ☐ Sidewalks and parking lots well lit, free of debris, and in good condition

Items to Investigate:

- ☐ Hours of operation
- ☐ What are the average and maximum number of daily visitors to the insured's premises?
- ☐ If visitors are permitted access to restricted areas, are they accompanied by experienced personnel at all times?
- ☐ Does the insured ever hold auctions? If so, where are they located?
- ☐ Does the insured draw large crowds to auctions? What methods of crowd control are used by the insured? How does the insured limit the number of visitors to avoid exceeding the occupancy capacity of the premises?
- ☐ Worn, torn, or loose floor coverings repaired or replaced immediately
- ☐ Are floors swept or vacuumed daily?
- ☐ Trash and rubbish removed from the premises regularly
- ☐ Spills cleaned up promptly and "Caution – Wet Floor" signs displayed over the affected areas
- ☐ Furniture inspected periodically and repaired or replaced as necessary
- ☐ Who is responsible for the maintenance and repair of the insured's furniture? What is that person's reputation and qualifications?
- ☐ All elevators regularly inspected and serviced by qualified professional
- ☐ Does the insured contract out its elevator maintenance? What are the reputation and qualifications of the insured's elevator maintenance contractor?
- ☐ Have current certificates of operation been obtained for all elevators?
- ☐ What are the average and maximum number of jobs handled by the insured each week?
- ☐ Does the insured typically move private households or offices?
- ☐ Are clients asked to provide adequate supervision for children and pets on moving day?
- ☐ Workers provided with the proper materials-handling devices, such as dollies, hand carts, and hoists to move heavy loads
- ☐ Is all materials-handling equipment in good condition and inspected regularly?
- ☐ Have all contracts been examined to determine the insured's scope of responsibility, particularly if it also installs appliances or assembles furniture?
- ☐ What liability, if any, does the insured assume?
- ☐ Contracts clearly state what portion of the customers' premises is under the insured's care, custody, and control
- ☐ Are delivery and installation ever performed by independent contractors instead of company employees?
- ☐ Certificates of insurance from independent contractors obtained by the insured
- ☐ Does the insured make any guaranteed delivery times in any of its advertising? If so, what policy does it have in place when deadlines are not met? Are customers offered a refund of the moving charges?
- ☐ Are there a sufficient number of vehicles and drivers to handle the anticipated delivery schedule?
- ☐ Does the insured ever use independent contractors to supplement the insured's delivery fleet?
- ☐ How are customer complaints handled?
- ☐ If the insured shares office space with another business, has the rental agreement been examined to see that each party's responsibilities are clearly delineated?
- ☐ Have arrangements been made for the prompt removal of ice and snow?

### ***Product Liability and Completed Operations***

Exposures: Sale of inadequate or defective boxes, crates, cartons, barrels, or other packing containers.

On-Site Inspection:

- ☐ Does the insured sell boxes or other packing materials?

Items to Investigate:

- ☐ How does the insured ensure that customers understand the appropriate uses of packing materials and their limitations?
- ☐ Are customers told what containers are adequate to bear the weight of a particular load?
- ☐ Are custom-made crates ever made or sold by the insured? If so, are they made according to customers' specifications, or does one of the insured's employees take measurements of the object to be crated and calculate the necessary size and strength?
- ☐ Containers inspected for hazardous conditions (e.g., splinters, protruding nails or screws, jagged hoops or metal bands) prior to sale
- ☐ Are wooden containers sanded?

- ☐ Does the insured advise its customers to wear gloves when handling wooden crates?

### ***Environmental Impairment Liability***

Exposures: Leaks from fuel tanks. (Note: This exposure will be greatly reduced if the insured's vehicles are refueled off premises or by a fleet management company.)

#### **On-Site Inspection:**

- ☐ Does the insured have fuel tanks (above- or underground) on the premises to refuel its vehicles?
- ☐ What are the age, type, condition, and construction of the insured's fuel tanks and piping?
- ☐ Written emergency cleanup plan posted

#### **Items to Investigate:**

- ☐ Extent of erosion protection on tanks and pipes
- ☐ Is the product compatible with the tank material?
- ☐ Are levels of diesel fuel in underground tanks monitored daily, and is there an inventory analysis system in place?
- ☐ What are the frequency of integrity tests and the extent of cathodic protection?
- ☐ Has the insured had monitoring wells drilled near tanks to check for possible leaks?
- ☐ Does the insured record all circumstances regarding any inventory problem or leaks?
- ☐ Written policy and procedures for reporting any leaks or spills to the proper authority in place
- ☐ How often are underground fuel tanks inspected for structural integrity and possible leakage?
- ☐ Are underground tanks equipped with a tank monitoring system (TMS)?
- ☐ What are the qualifications and experience level of the person who performs tank inspections?
- ☐ If the insured has a vehicle maintenance and repair shop on the premises, does it contract out the disposal of used motor oil, gasoline, and tires to an independent contractor?
- ☐ Contracts signed between insured and its disposal contractors examined to determine the extent of liability assumed by the insured
- ☐ Reputation and loss history of the contractors that the insured uses
- ☐ Have certificates of insurance been obtained from all independent contractors?

### ***Workers' Compensation***

Exposures: Movers at greater risk of injury than office workers. Strains, sprains, hernias, and back injuries. Falls. Cuts and lacerations. Crushing injuries from household goods falling on workers. Slips, trips, and falls. Electrical shocks.

#### **On-Site Inspection:**

- ☐ Layout of the insured's offices
- ☐ What are the number, age, type, and condition of all ladders, scaffolding, and similar equipment?
- ☐ Are all ladders equipped with nonslip bases and tread surfaces?
- ☐ Does the insured operate a warehouse on the premises?
- ☐ Traffic lanes on docks for pedestrians as well as vehicles clearly marked
- ☐ Are speed limit and warning signs, such as "Sound Horn" and "Proceed with Caution," posted throughout the dock area?
- ☐ Convex mirrors installed at the corners and the beginning of aisles
- ☐ What types of forklifts does the insured use?
- ☐ Aisles, stairways, and walkways in offices free of debris and clutter
- ☐ Are telephone and electrical cords routed away from walkways?
- ☐ Cords that must cross walkways covered or otherwise secured to the floor
- ☐ What is the condition of the insured's floors and floor coverings?
- ☐ Condition of furniture and furnishings
- ☐ All furniture sturdy and free from protruding nails, splinters, and screws
- ☐ Stairs – in good condition; treads covered with nonskid material; equipped with sturdy handrails
- ☐ Shelves solidly constructed of steel or hardwood, and materials stored
- ☐ On shelves where manuals and materials do not reach all the way across, are bookends used to hold them in place?
- ☐ What are the age, type, and condition of the insured's electrical equipment?
- ☐ Electrical equipment properly grounded and NRTL-listed
- ☐ Are first aid kits available throughout the premises?



- ☐ Telephone numbers for local emergency medical teams posted in strategic places in office and warehouse

Items to Investigate:

- ☐ Workers – number; ages; duties
- ☐ Number of employees that are part-time or seasonal
- ☐ What are the training and experience levels of the insured's employees?
- ☐ Are employees trained in the proper usage of all moving equipment?
- ☐ New and inexperienced workers paired with more experienced employees until they achieve an acceptable level of competency in their assigned tasks
- ☐ What is the level of supervision of new workers?
- ☐ Who is responsible for workers' training and supervision?
- ☐ Hours of operation
- ☐ Are workers provided with appropriate materials-handling devices?
- ☐ Workers taught proper lifting techniques (e.g., to always lift, then turn, and to never lift and turn simultaneously)
- ☐ Are backbelts provided to workers who request them?
- ☐ Have employees been instructed to seek assistance from another employee if an item is too heavy or awkward to handle alone?
- ☐ Does the insured have a sufficient number of employees at each move so that more than one worker is available to lift and carry heavy loads?
- ☐ Are employees taught to bear equal part of a load carried by two or more people?
- ☐ Pre-employment physicals performed on all employees to determine those who have back ailments that could worsen with moving activities
- ☐ Are periodic physicals required for all employees
- ☐ Has the insured ever had to use another means of entry besides a doorway to move an item?
- ☐ Ladders inspected prior to use
- ☐ Defective or damaged ladders discarded immediately or marked "Danger – Do Not Use" until repaired or destroyed
- ☐ All workers required to have current tetanus shot
- ☐ Are all workers provided with and required to wear work gloves?
- ☐ Dock's traffic flow, including the arrival and departure of trucks, forklift operations, manual materials-handling equipment, and pedestrian traffic well regulated
- ☐ Are forklift operators trained to inspect, drive, load, park, and refuel their vehicles properly?
- ☐ What are the training and experience of the insured's forklift operators?
- ☐ Prior to operation, do drivers use a written checklist to assess the condition of their vehicles?
- ☐ If gasoline or propane forklifts are used, proper ventilation during refueling, preferably outdoors
- ☐ Is battery recharging of forklifts conducted outdoors and away from ignition sources?
- ☐ When forklifts are left unattended, are control levers placed in neutral, emergency brakes set, forks lowered, and power cut?
- ☐ If the lift is parked on an incline, are chocks placed in front of or behind wheels to prevent rolling?
- ☐ How experienced are the insured's drivers? Are they familiar with the traffic patterns within their area of operations?
- ☐ Do any of the insured's employees perform carpentry?
- ☐ Workers inspect all tools and maintain them properly
- ☐ Are knife blades and other cutting instruments kept sharpened?
- ☐ Is trash removed from the premises daily?
- ☐ Floors swept or vacuumed daily
- ☐ Are worn, torn, or loose floor coverings repaired or replaced promptly?
- ☐ Spills cleaned up promptly and "Caution – Wet Floor" signs displayed over the affected areas
- ☐ Is furniture inspected periodically and repaired or replaced as necessary?
- ☐ Who is responsible for the maintenance and repair of the insured's furniture? What is that person's reputation and qualifications?
- ☐ Are all elevators regularly inspected and serviced by a qualified professional?
- ☐ Is elevator maintenance contracted out?
- ☐ Reputation and qualifications of the insured's elevator maintenance contractor
- ☐ Have current certificates of operation been obtained for all elevators?
- ☐ Who is responsible for inspecting the insured's shelves for structural integrity, and how often are such inspections conducted?
- ☐ Freestanding shelves solidly constructed and stand level so that leaning on them will not cause them to topple over
- ☐ Frayed or loose wiring on electrical equipment repaired or replaced by a qualified electrician
- ☐ Are workers instructed to look away from computer screens frequently to focus on distant objects and take a 15-minute break every 3 hours of repetitive keyboard work?
- ☐ Compliance with standard ANSI/HFES 100-2007, which provides ergonomic design guidelines for visual displays, keyboards, and workstations

- ☐ What is the availability of emergency health care and first aid?
- ☐ Are first aid kits located on all moving vehicles?
- ☐ Employees aware of the location of first aid kits in the office

### ***Crime***

Exposures: Little cash on the premises. Most payments will be made by check, credit card, or electronic funds transfer (EFT). Employee dishonesty. (Note: Theft of customers' goods during a move or while in storage at the insured's warehouse will be covered under the Inland Marine section.)

#### **On-Site Inspection:**

- ☐ Checks, credit card receipts, and cash stored in a tool-, torch-, and explosive-resistant, NRTL-listed, time-delay safe until they can be deposited
- ☐ Is there a repair maintenance shop on the premises? If so, what security measures does the insured have in place to prevent pilferage of equipment by employees?
- ☐ All tools permanently etched with identification numbers
- ☐ Are tools stored in a locked shed or garage?
- ☐ Does the insured conduct refueling operations on the premises? How does it prevent pilferage of fuel?
- ☐ Level of security on the premises
- ☐ All office and storage area doors equipped with double-cylinder, deadbolt locks
- ☐ Windows equipped with tamperproof locks
- ☐ Has an alarm system been installed on the premises? Is it connected to a central station alarm monitoring facility?
- ☐ Parking lots and vehicle storage areas well lit

#### **Items to Investigate:**

- ☐ What are the average and maximum amounts of cash on the premises daily?
- ☐ Are all checks stamped "For Deposit Only" immediately upon receipt?
- ☐ Bank deposits made daily and their schedule staggered to avoid suggesting a routine
- ☐ Do insured's drivers ever carry money while in transit?
- ☐ Does the insured record both the total amount of cash given to drivers, as well as the amount of cash not used by them during the move?
- ☐ Does more than one employee handle the insured's accounting duties?
- ☐ Unannounced audits periodically conducted
- ☐ How are applicants screened before employment?
- ☐ References checked and previous employment verified
- ☐ Location and response time of the nearest police station

### ***Fire and E.C.: Property***

Exposures: Common ignition sources include faulty wiring, malfunctioning electrical equipment, and possibly smoking. The fire load will be comprised of office equipment, furniture and furnishings, papers, and trash. Companies that have refueling operations and/ or store customers' goods on site will have an increased exposure from additional ignition sources and heavier fire load. Computers.

#### **On-Site Inspection:**

- ☐ Building – age; type; construction
- ☐ What hazards, if any, are posed by nearby facilities?
- ☐ Do firewalls that extend to the roof separate the insured's offices from adjacent occupancy that shares its roof?
- ☐ Layout of the moving and storage company
- ☐ Age and condition of the insured's wiring
- ☐ What are the number, age, type, and condition of the electrical equipment used by the insured?
- ☐ Is all electrically powered equipment properly grounded, NRTL-listed, and in good repair?
- ☐ If smoking is permitted on the premises, is it restricted to certain areas, preferably outdoors?
- ☐ "No Smoking" signs posted in all areas where smoking is prohibited, such as fuel storage areas
- ☐ Does the insured provide self-closing, fire-resistant receptacles in any areas where smoking is permitted for the proper and safe disposal of smoking materials?

- ☐ How does the insured store and/or stock packaging materials in the office or stock area?
- ☐ In all storage and office areas, paper goods and packaging materials well organized and stacked neatly on shelves that do not block any entrances, exits, hallways, or aisles
- ☐ Are the insured's shelves constructed of metal or hard wood?
- ☐ Shelves do not touch the ceiling or obstruct any fire detection or suppression devices
- ☐ Are packaging materials stored a safe distance from potential ignition sources?
- ☐ Does the insured store fuel on the premises? If so, is this area located away from the building?
- ☐ Refueling areas clear of trash and debris and equipped with fire extinguishers
- ☐ Are flammable and/or combustible substances stored in separate areas that are separated from the rest of the warehouses by firewalls?
- ☐ Office areas clean and free of debris and clutter
- ☐ All electrical wiring properly insulated and run inside the walls
- ☐ Does the insured have vehicle repair and/or refueling areas on the premises?
- ☐ What type of fire detection and suppression system does the insured have in place?
- ☐ Smoke detectors located throughout the office and warehouse
- ☐ Are annually tagged, Class ABC fire extinguishers located throughout the office, particularly in vehicle repair and refueling areas?
- ☐ What type of sprinkler system does the insured have?
- ☐ Computers – age; type; condition
- ☐ Are all computers permanently etched with identification numbers to aid in their recovery if lost or stolen?

#### Items to Investigate:

- ☐ Is the insured located in a renovated structure?
- ☐ Are the premises owned or leased?
- ☐ Wiring in compliance with NFPA 70, National Electrical Code
- ☐ If the insured operates out of renovated structure, has any rewiring been done?
- ☐ Is the insured's wiring sufficient to handle its electrical needs?
- ☐ Planned program of scheduled inspection and preventative maintenance for all wiring implemented
- ☐ Are cords and wires on all electrical equipment periodically inspected for fraying and cracking?
- ☐ Worn or frayed wires repaired or replaced promptly
- ☐ Does the insured have a routine maintenance and inspection plan in place for its electrical equipment?
- ☐ Experience and qualifications of the person who maintains the insured's electrical equipment
- ☐ Smoking policy
- ☐ Are smoking receptacles regularly emptied?
- ☐ Compliance with NFPA 30, Flammable and Combustible Liquids Code
- ☐ Are all floors and floor coverings swept or vacuumed daily?
- ☐ Trash removed and disposed of daily
- ☐ Moving and storage firms with vehicle repair and/or refueling areas on the premises in compliance with NFPA 30A

#### Motor Fuel Dispensing Facilities and Repair Garages

- ☐ Oil and grease spills cleaned up promptly
- ☐ Rags used to clean up oil/grease spills properly disposed of in fire-resistant containers
- ☐ Are floors scrubbed or hosed down periodically?
- ☐ All employees aware of the location of fire extinguishers and properly trained in their use
- ☐ Does the insured have a fire emergency plan in place? How often is this plan practiced and updated?
- ☐ All employees aware of fire emergency procedures in the event of a fire
- ☐ Location and response time of the nearest fire department
- ☐ Compliance with NFPA 13, Standard for the Installation of Sprinkler Systems
- ☐ Are fire extinguishers placed onboard the insured's moving vans and trucks? Is a fire extinguisher present in each truck's cab?
- ☐ Strength of the insured's roof
- ☐ Value of computers
- ☐ Are backup copies of all essential software, as well as computer records, stored off premises in an NRTL-listed, fire-resistant safe?

### ***Business Interruption***

Exposures: Standard office or commercial occupancy. Operations conducted off site. Relocation not difficult unless the insured requires large area to park its fleet of moving vehicles or conducts warehouse/storage operations. Reputation more important than location for continued business success. Peak season.

**On-Site Inspection:**

- ☐ Does the insured have a warehouse?
- ☐ Does the firm utilize a large area to store a fleet of moving vehicles?

**Items to Investigate:**

- ☐ In the event of a loss, is the insured more likely to rebuild, repair, or relocate?
- ☐ Could operations continue while repairs were being made to the premises?
- ☐ Amount of time needed to repair or rebuild the premises in the event of a loss
- ☐ What is the availability of temporary/replacement space in the insured's area?
- ☐ Contingency plan in place prior to a loss
- ☐ Does the contingency plan include arrangements with other moving and storage companies?
- ☐ Availability of replacement equipment
- ☐ Is the insured more dependent on its reputation or location for business?
- ☐ How many customers are under contract with the insured?
- ☐ Peak season
- ☐ What impact would a loss during its peak season have on the insured's financials?

***Inland Marine***

Exposures: Damage or theft to customers' goods in the insured's care, custody, and control. Failure to deliver goods. Breach of contract by delivery of goods to wrong person. Mobile equipment. Valuable papers and records.

**On-Site Inspection:**

- ☐ What are the age, type, and condition of the insured's mobile equipment?
- ☐ Mobile equipment etched with identification numbers to aid in its recovery if stolen

**Items to Investigate:**

- ☐ Has the insured ever delivered goods to the wrong person?
- ☐ Annual performance report of carrier reviewed to determine the percentage of shipments picked up or delivered later than the date specified on the order for service
- ☐ What is the percentage of claims filed for losses resulting from carrier delay?
- ☐ When goods are picked up, does the mover make an inventory of the goods to be shipped with notations regarding the condition of each piece?
- ☐ If furniture is nicked, scraped, marred, or chipped, mover notes this on the bill of lading as along with the location of these defects
- ☐ Does the insured require the customer sign the inventory sheet?
- ☐ What are the training and experience of the insured's workers?
- ☐ How many workers are sent to each job by the insured?
- ☐ To prevent the pest infestation of goods in storage or transit, are trucks and the warehouse fumigated on a regular basis?
- ☐ Is there at least one person on the truck assigned to protect the goods from theft during loading and unloading operations?
- ☐ Containers never left unattended on loading docks or in freight yards
- ☐ Without consent of customer, goods cannot be delivered prior to the date agreed upon
- ☐ Does the insured ever transport shipments of valuable or delicate antiques or artwork?
- ☐ Mobile equipment serviced regularly by qualified professionals
- ☐ Does the insured conduct daily checks of all its mobile equipment?
- ☐ Are copies of all essential records and papers stored off premises in an NRTL-listed, fire-resistant safe?

**OSHA REFERENCES**

- 1910.136 Foot Protection
- 1910.138 Hand Protection
- 1910.151 Medical Services and First Aid
- 1910.157 Portable Fire Extinguishers
- 1910.159 Automatic Sprinkler Systems

1910.164	Fire Detection Systems
1910.176	Handling Materials - General
1910.178	Powered Industrial Trucks
1910.25	Portable Wood Ladders
1910.26	Portable Metal Ladders
1910.35	Compliance with NFPA 101-2009, Life Safety Code
1910.36	Design and Construction Requirements for Exit Routes
1910.37	Maintenance, Safeguards, and Operational Features for Exit Routes
1910.38	Emergency Action Plans
1910.39	Fire Prevention Plans