



INTEGRAL CONSULTANTS

PROPERTY UNDERWRITING & LOSS APPRAISERS

"We offer peace of mind through knowledge and expertise."



NEWSLETTER

DECEMBER, 2009

A Message from the President

We are ending another successful year for a sixteenth time. Over the years we have seen many changes at Integral as well as in the industry we serve.

As the Holiday Season is upon us, we find ourselves reflecting on the past years and on those who have helped to shape our business in a most significant way. We value our relationship with you and look forward to working with you in the year to come. We wish you a very happy Holiday Season and a New Year filled with peace and prosperity.

Ron Wilkes

Well we would be remiss if we didn't keep up with tradition each December, so here it is again this year, the most requested reprint of material.

This one is for you Mary-Ellen over at Aviva Insurance.....

It was the night before Christmas (12:01 A.M. 12/25) and all through the house (single family, joisted masonry, E.C. 3, territory 44, PC 5) Not a creature was stirring not even a mouse. (pride of ownership and excellent maintenance)

The (flame-retardant) stockings were hung by the (contractor-installed) chimney with care

In hopes that St. Nicholas would soon be there (in spite of dead-bolt locks and central station alarm system)

The children (ages 4,8,14 & 16) were all nestled snug in their beds (check MVR on 16 year old)

While visions of sugarplums danced in their heads (must check for drug use.)

Mama in her kerchief (scheduled heirloom) and I in my cap (no slave to fashion)

Had just settled down for a long winters nap (check employment - is insured sleeping all day?)

When out on the lawn there arose such a clatter (check into condition of premises, housekeeping etc),

I jumped out of bed to see what was the matter.

Away to the window I flew like a flash,

Threw open the shutters and tore open the sash (intentional destructive act
- no coverage. Also, as far as we know, insured only wearing a cap in front of uncovered window.)

What to my wondrous eyes should appear?

But a miniature sleigh and 8 tiny reindeer (note to check if sleigh rated business use and corporate owned).

With a little old driver, so lively and quick,

I knew in a moment it must be St. Nick. (order medical on 600-year-old driver; notify life underwriter for possible rating).

More rapid than eagles (check MVR for speeding violations) his coursers they came,

And he whistled and shouted and called them by name (possible aggressive driver?):

Now Dasher (turbo equip?) now Dancer (classic?) now Prancer (check lifestyle) now Vixen (definitely check lifestyle), On Comet (possible muscle deer) on Cupid (lifestyle again) on Donner (4x4) and Blitzen (possible drinking problem?)

To the top of the porch to the top of the wall (check for structural damage also look into height exposures),

Now dash away, dash away, dash away all. (also old man climbing walls either in great shape or overly medicated?)

So up to the housetop the coursers they flew, with the sleigh full of toys and St. Nicholas too (check for possible retail delivery classification of autos).

And then, in a twinkling, I heard on the roof, the prancing and pawing of each little hoof (check for shingle damage also classification of operations, roofing is a prohibited class).

As I drew in my head and was turning around, down the chimney St. Nicholas came with a bound.

He was dressed all in fur (scheduled items) from his head to his foot and his clothes were all tarnished with ashes and soot (part time job as firefighter? Also check chimney for potential fire hazard)

A bundle of toys he had flung on his back (Check to see if insured has safety committee, check lifting training) and he looked like a peddler just opening his pack.

His eyes how they twinkled, His dimples how merry, His cheeks were like roses, His nose like cherry (order updated medical report, possible drinking abuse).

The stump of a pipe he held tight in his teeth (note - do not give non-smoker discount) And the smoke it encircled his head like a wreath (check batteries in smoke alarms to make sure operational).

He was chubby and plump, a right jolly old elf (overweight for height)

And I laughed when I saw him in spite of myself.

A wink of his eye and a twist of his head, Soon gave me to know I had nothing to dread (stranger enters past alarm and insured not worried? Possible moral problem).

He spoke not a word, but went straight to his work, and filled all the stockings; then turned with a jerk (review workplace for ergonomic compliance).

And laying his finger aside of his nose (obscene gesture?) And giving a nod, up the chimney he rose (check operations, chimney sweeps are prohibited classification, look into GL PD deductible.)

He sprang to his sleigh, to his team gave a whistle, And away they all flew like the down of a thistle (not likely with fat man and sleigh full of toys. Check GVW for proper classification, Light/Service/Local seems unlikely).

But I heard him exclaim as he drove out of sight, "Happy Christmas to all, and to all a good night!" (Check hours of operation, 24hr service operations prohibited. Also check into seasonal nature of business).

Author unknown

Claims & Underwriting Reports

REPRODUCTION APPRAISAL REPORTS

We are please to introduce combined RCR/ODF Insurance Appraisal Report for underwriters, brokers and the consumer and our Loss Appraisal Report for adjusters in the event of a loss. This appraisal provides a Replacement Cost Reproduction (RCR) Appraisal based upon Reproduction Costs for *Replacement Cost Value* using the Calculator Method by means of the Marshall Valuation format or the R. S. Means Cost Guides for contractors and they will incorporate Physical and Functional factors in the Depreciation segment for *Actual Cash Value*. This report is designed for a total loss or to determine co-insurance for both RCV and ACV.

The Underwriting Format provides the following Recommended Individual Policy Limits; Replacement Cost (RCV) or (RCT); Occupancy Design Fixtures (ODF); Bylaw Coverage (BC); Demolition & Debris Removal (DDR); Guaranteed Replacement Cost (GRC); Blanket Insurable Value (BIV); and Depreciation Applicable (ACV) in the form of a percentage for underwriting reports and the actual cash value for claims reports.

Occupancy Design Fixtures (ODF) is now incorporated into the format and can be added for an additional cost. Incidental Occupancy Design Fixtures such as free standing appliances for apartment buildings are included in a RCR Appraisal Report for no additional cost.

Occupancy uses with sizeable ODF requirements such as Security Equipment, Janitorial, Cash Registers, Checkroom Equipment, Business Offices, Laboratories, Mortuaries, Medical Offices, Dental Offices, Motels, Lobby and

Reception Area Furniture & Equipment, Residential, Automotive – Repair & Service, Automotive – Tire Retreading, Automotive – Spray Booths, Barber and Beauty Shops, Photo Labs, Laundry and Dry Cleaning, Laundromats, Billiard Rooms, Amusement Arcades/Casinos, Health Clubs, Bowling Centers, Restaurants and Soda Fountains, Snack Bars, Retail Stores, Bakeries, Food and Beverage Markets, Churches, Stage/Theater Equipment, Chimes and Carillons, Organs, Theater Seats, Schools, Libraries, Warehousing, Hazardous Material Storage, Shipping Docks, etc will not be included unless requested as part of the appraisal.

DAMAGE ASSESSMENT REPORTS

This report is designed to establish value for a partial loss to a building that provides a Scope of Damage and a Damage Assessment for both RCV and ACV. Since every loss is not a total loss, the rates will reflect costs for cutting and patching to existing construction; dust protection; material handling & storage; protection of existing finishes, shift work requirements; temporary shoring & bracing; equipment usage curtailment; and work inside secure premises, where applicable. All of these conditions are associated with retrofitting replacement material for partial losses.

Logistics have been changed with added or revised sections which now include Ceiling Height, Building Shape, Basement, Building Height, Building Size, Green Construction, Hillside Location, Shortages, High Wind Areas, Weather Extremes, Congested Areas, Resort/Remote Areas, Retrofitting Construction, Seismic Construction, Current Cost, and Location.

FILE AUDITS

So you think you have done everything right. There was an assigned approved insurance contractor to complete the restoration and the project was put out to bid. But why did the costs escalate and the insured is not happy with the results? There are a number of reasons why. Outside influences such as government bodies can directly impact the how the restoration process is going to take place. There really is no control over these situations and inevitably the construction costs are directly impacted by decisions a government body can make concerning the restoration process.

We offer peace of mind through knowledge and expertise, call us at (778) 239 – 6308 or email us at integral@shaw.ca for more information, as our audit reports start at \$ 250.00 and our full reports start at \$ 500.00 plus GST.

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