

*Your Story is
Ours to Protect*

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Insurance to Value

Protect the true value of your property.



**Loss Prevention
Program**

By **Red River Mutual**

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At Red River Mutual, protection begins before a loss. That's why we provide Insurance to Value Consultative Services, so you can rest easy knowing your property receives the protection it needs.



Loss Prevention Visit

Red River Mutual Loss Prevention Consultants will complete a thorough site visit of the premises including all exposures within 100 feet. They will provide valuable recommendations to reduce the risk of loss or damage to your business, and to ensure that you have the right coverage for your property.

These recommendations will assist in understanding the building improvements, capital planning, risk management enhancements, action plans and more. Assessments include, but are not limited to the following:

- Building Valuations (including Reconstruction Cost)
- Construction Types
- Electrical
- Exit Doors, Signage, etc.
- Fire Systems, Sprinklers, etc.
- Furnace and Heating
- Mechanical Room
- Occupancy
- Physical Structures, Walkways and Safety Hazards
- Roofing and Systems

Insurance to Value means protecting the true value of your property. It is important to provide as much information as possible when applying for insurance on commercial properties. This will help calculate the Insurance to Value and ensure all properties are properly protected against loss. Insurance to Value affects the accuracy of risk evaluations, coverages and pricing. When properly recorded, it provides peace of mind that the items you value are protected should a loss occur.

Building Insurance Value

The building valuation software used includes an additional fee to the square footage that most professional appraisals do not provide in their reports. Often business owners are not aware of these additional costs until they experience a loss.

Replacement Cost

This is the cost to construct or replace, at one time, an entire building of equal quality and utility; modern materials and current methods, designs and layouts are used for replacement.

Replacement Cost does not take into consideration improvements necessary to conform to current building codes, demolition, debris removal, site accessibility or site work, reuse of building components or services, overtime, bonuses for labour, soft costs, extraordinary fees, premiums for materials or other contingencies. For insurance purposes, the prices used for labour, materials, overhead, profit and fees are those in effect immediately prior to the loss.



Reconstruction Cost

To improve the accuracy of the calculated value, it is recommended that additional information be provided when evaluating a building.

This includes, but is not limited to:

- Additional Fixed Equipment (cranes)
- Average Storey Height
- Basement
- Construction Glass
- Elevators
- Exterior Wall Material
- Fire Detection, Alarms, Sprinkler System, etc.
- Gross Floor Area
- Gross Perimeter of the Building(s)
- Heating
- Occupancy Type
- Plumbing
- Roof

Reconstruction Process

We take into account the reconstruction cost to replicate, at current prices, using like kind and quality materials, construction standards, design/layout and quality of workmanship.

Reconstruction costs also include a number of site-specific and process-related costs that are experienced when rebuilding after a loss. These additional expenses are related to repair/restoration contractors, construction process, time urgency, limited site mobility, adjoining non-construction areas, insured property, economies of scale, demolition, debris removal, dangerous/hazardous materials and mold concerns.

Example of a loss

Company ABC experienced a total fire loss and needed to rebuild. The property was insured at \$30 million. However, upon rebuilding they discovered that there were additional costs which included architectural fees (additional 7%), overhead and profit (additional 20%), and debris removal (additional 12%) which accounted for \$12 million in additional values.

When you take Insurance to Value into consideration when you first insure your property, you avoid paying the additional fees to rebuild, because we already have you covered in your insurance policy. Avoid paying more than you have to by making sure the true value of your property is insured.



Thermal Imaging

Red River Mutual provides detailed thermal imaging services for electrical panels, mechanical devices, motors, and specialized equipment to determine whether any faults exist.

Thermal imaging can be used to immediately identify:

- Overloaded breakers
- Faulty switches and connections
- Damaged cords and plugs
- Running temperature electrical equipment

Red River Mutual Loss Prevention Consultants have received Level 1 Thermography Certification Training.



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