

Welcome to the first edition of BI&I's The Inspector's Report. In response to requests from our business partners, this newsletter will provide information about our specialized lines of insurance. It will include articles, loss

examples, and sales and educational tips that explain our products and how they can benefit you.

By bringing engineering to insurance, BI&I has protected businesses for over 130 years. BI&I has always been a leader

in specialized insurance.

Send comments and suggestions for future issues to Derrick Hughes, Editor: [dhughes@biico.com](mailto:dhughes@biico.com), or call 416.216.8406.

## What You Should Know About Boiler Inspections

### THE INSURANCE PROFESSIONAL



**BI&I** performs more jurisdictional inspections than any other company and we employ experienced inspectors throughout Canada.

Many of your clients are required by provincial law to arrange for periodic inspections of boilers and pressure vessels. Unlike some insurers, BI&I includes jurisdictional inspections in our standard coverage.

**B**ut we don't stop there. We use our databases and other resources to help identify and locate equipment that requires a jurisdictional inspection. That's important because inspections should be completed on time. And, although BI&I can help, it is the owner of the boiler or pressure vessel— not the insurer — who is responsible for complying with provincial inspection laws.

#### Inspection Facts

Here are some facts that can help your clients understand the value of including jurisdictional inspections in their equipment breakdown policy.

- BI&I performs more jurisdictional inspections than any other company and we employ experienced inspectors throughout Canada.
- The types of clients that need inspections run the gamut — from schools, churches and dry cleaners, to apartment buildings, hotels and manufacturers.
- Boilers and pressure vessels do have explosive potential. Inspection laws are intended to help prevent serious accidents by making sure the equipment meets provincial codes.

#### BI&I Makes It Easy

Since we include jurisdictional inspections as part of our coverage, the easiest way for most of your clients to comply with inspection laws is with equipment breakdown insurance from BI&I or one of the 50 property casualty insurers in Canada which we reinsure. In addition to locating equipment and assigning inspectors, you can request an inspection online by going to [www.biico.com](http://www.biico.com) and selecting the "offices across Canada" contacts or by e-mail at: [inspection@biico.com](mailto:inspection@biico.com).

## RECENT PAID CLAIMS

### Lost The Picture

A high-end digital camera used for product advertising was damaged when it was mistakenly connected to a power source during operation. A camera was rented at \$1,200 a week while the damaged unit was sent to the manufacturer in Denmark for repair.

<b>Repair Cost</b>	\$1,350
<b>Extra Expense</b>	\$6,125
<b>Total Paid Loss</b>	\$7,475

### Classes Cancelled

A boiler that was the only source of heat and hot water for a private school broke down because the low water cutoff was packed with sediment. Two days of classes were canceled until a temporary boiler could be rented.



<b>Repair Cost</b>	\$12,805
<b>Extra Expense</b>	\$24,288
<b>Total Paid Loss</b>	\$37,093

## COSTLY DOWNTIME AVOIDED

### University Learns a Valuable Lesson in Insurance Coverage

Electrical equipment is critical to university operations. When deteriorated insulation caused a short circuit in an electrical cable, power was disrupted for more than a week. Portable generators provided temporary power until repairs were finished. The loss totaled \$74,320. The business school's electrical system breakdown caused damage to the facility and disruption for the staff and

students. Without full power, classes and activities were postponed. The loss included \$37,113 for repairs; \$35,731 to rent electrical generators; and \$1,476 for spoiled food from the cafeteria, which was covered under the policy's perishable goods coverage. BI&I provides broad equipment breakdown coverage. Most companies pay only for blank media such as tapes and discs when data is lost in a breakdown.

BI&I will pay the cost of restoring or re-entering this critical information – a key benefit with so many computers and databases used on campus. We can also include jurisdictional inspections in our basic coverage to help meet provincial boiler codes. For information contact BI&I or visit our web site at [www.biico.com](http://www.biico.com).

## FROM OUR INSURANCE SEMINARS

### Learning Point Review

#### Spoilage Coverage

This Coverage provides indemnity for loss on specified property of the Insured when such loss is due to spoilage from lack of power, light, heat, steam or refrigeration



caused by an accident to an insured Object. Typical risks purchasing this coverage are dairies, restaurants, and cold storage facilities.

#### Spoilage — Broad Form

This Coverage provides indemnity for loss or expense due to spoilage resulting

from an accident. Loss from "lack of power, light, heat, steam, or refrigeration is expanded to cover either "too much" of these elements or "too little" of these elements. This coverage is designed for food processing risks where "too much" heat or cold may spoil the insured's product.



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