

Carrier: Test Insurance Company 111 Main Street Any City, AL 35801 Agent: Alpha Ins Agcy Inc	Policy Information: GL 98-ZY-7654-3 General Liability 05/30/2014 to 05/30/2015 Audit ID: 184474 Audit Method: Physical Audit Complete Type: Regular	Insured Name and Address: XYZ Construction Inc 123 Any St Nashville, TN 37208 Generated: 12/16/2015 3:22 PM	Completed By: Keith West WestK@wis-inc.com Wilkinson Insurance Services 5650 Sanderson Street Suite Q Huntsville, AL 35805 12/16/2015 Audrey: 4.1, PID: 52
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Description Of Operations ... Audit 184474

Legal Entity: CORPORATION *Policy No(s):* GL 98-ZY-7654-3 *Policy Period:* 05/30/2014 to 05/30/2015

XYZ Construction Inc is a doing business as a corporation in Nashville, TN.

The insured is a general contractor working for insurance companies performing residential restoration work. They are doing fire, water, and wind damage restoration. This type of work includes cleaning up homes after these types of disasters have occurred. Field employees could perform a variety of tasks, depending on the damage incurred, including tearing out old flooring (carpet, tile, wood, etc.) and replacing with new, tearing out damaged drywall and replacing with new, painting, etc. In this period field employees performed primarily painting and carpentry work, no interchange of labor. The painting employees were classified under the 98305 class code and all carpentry related work was placed under the 91340 class code.

Employees working in the offices of the insured have been placed excluded. These workers are performing various tasks such as receptionist, bookkeeping, scheduling, etc and are not exposed to the operations of the job site.

Several employees working as outside estimators have been excluded. They are performing job estimates and have travel responsibilities included within the regular scope of the job duties.

Overtime wages were paid and the premium portion has been deducted.

The insured also used a number of insured subcontractors and uninsured subcontractors. Certificates of insurance were reviewed for all insured subs and all have been included in code 91583 per verification of their COI's. Payments made to the insured subs were all covered within the COI dates. One uninsured sub was included in the appropriate class code per duties.

Officer 1 is the President and is included in code 91580. Officer 2 is the Secretary/Treasurer and is included in code 91580. Both officers are active in the business overseeing all operations, visiting job sites on a regular basis to determine job progress, provide indirect supervision through the job site foremen, etc.

Exposure Summary ... Audit 184474 ... 06/01/2014 to 06/01/2015 ... Policy GL 98-ZY-7654-3

<i>Insured:</i> XYZ Construction Inc	<i>Policy Period:</i> 05/30/2014 to 05/30/2015
	<i>Audit Period:</i> 06/01/2014 to 06/01/2015
<i>Policy No(s):</i> GL 98-ZY-7654-3	<i>Auditor:</i> Keith West

State	Code	Classification	Loc	Basis	Mod	Exposure
TN	91340	Carpentry-const.of resdntl.property not excdg.3 str.		Payroll		82,914
TN	91580	Contractors-exec. superv. or exec. superintendent.		Payroll		52,000
TN	92338	Dry wall or wallboard installation		Payroll		0
TN	94569	Floor covering installation		Payroll		0
TN	98305	Painting-interior-buildings or structures		Payroll		184,022
TN	98344	Paperhanging		Payroll		0
TN	98678	Roofing - residential		Payroll		0
Total Exposure:						318,936

Subcontractors Exposure Summary

TN	91340	Carpentry-Construction of Residential Property Not Exceeding 3 Stories		Payroll		1,000
TN	91583	Contractors-Subcontracted Work-One or Two Family Dwellings		Total Cost		1,812,528
Total Exposure:						1,813,528
Grand Total Exposure:						2,132,464

Principal ... Audit 184474

Officer 1	President	Included	P/R: 1.00
Start/End: 06/01/2014 to 06/01/2015	Min: 5,200	Max: 26,000	

TN	91580	Contractors-exec. superv. or exec. superint.
Audit Period: 06/01/2014 to 06/01/2015	Total Amt: 94,000	Included At: 26,000
Operations Manager / Executive Supervisor		
Officer 2	S/T	Included
Start/End: 06/01/2014 to 06/01/2015	Min: 5,200	Max: 26,000
TN	91580	Contractors-exec. superv. or exec. superint.
Audit Period: 06/01/2014 to 06/01/2015	Total Amt: 52,200	Included At: 26,000
Executive Supervisor		

Exposure Recap ... Audit 184474 ... 06/01/2014 to 06/01/2015

State	Code	Classification / Name	Loc	Basis	Mod	Exposure
TN	91340	Carpentry-const.of resdntl.property not excdng.3 str.		Payroll		
		Emp 13		Duties: Rough Carpentry		23,007
				Prem OT Credit @ 1.5		(1,430)
		Emp 14		Duties: Rough Carpentry		31,493
				Prem OT Credit @ 1.5		(778)
		Emp 15		Duties: Rough Carpentry		28,986
				Prem OT Credit @ 1.5		(262)
		Emp 16		Duties: Rough Carpentry		1,898
						----- 82,914 =====
TN	91580	Contractors-exec. superv. or exec. superint.		Payroll		
		*Officer 1		Duties: Operations Manager / Executive Supervisor		26,000
		*Officer 2		Duties: Executive Supervisor		26,000
						----- 52,000 =====
TN	92338	Dry wall or wallboard installation		Payroll		
		No Exposure				0
						----- 0 =====
TN	94569	Floor covering installation		Payroll		
		No Exposure				0
						----- 0 =====
TN	98305	Painting-interior-buildings or structures		Payroll		
		Emp 1		Duties: Painting - Interior		37,209
				Prem OT Credit @ 1.5		(115)
		Emp 10		Duties: Painting - Interior		5,685
				Prem OT Credit @ 1.5		(322)
		Emp 11		Duties: Painting - Interior		13,388
				Prem OT Credit @ 1.5		(78)
		Emp 12		Duties: Painting - Interior		8,190
		Emp 2		Duties: Painting - Interior		30,126
				Prem OT Credit @ 1.5		(1,885)
		Emp 3		Duties: Painting - Interior		32,730
				Prem OT Credit @ 1.5		(1,522)
		Emp 4		Duties: Painting - Interior		22,486
		Emp 5		Duties: Painting - Interior		360
		Emp 6		Duties: Painting - Interior		7,721
				Prem OT Credit @ 1.5		(8)
		Emp 7		Duties: Painting - Interior		5,175
				Prem OT Credit @ 1.5		(66)
		Emp 8		Duties: Painting - Interior		2,168
		Emp 9		Duties: Painting - Interior		22,858
				Prem OT Credit @ 1.5		(78)
						----- 184,022 =====
TN	98344	Paperhanging		Payroll		
		No Exposure				0

				----- 0 =====
TN	98678	Roofing - residential	Payroll	
		No Exposure		0
				----- 0 =====
TN	EXCLUDED		Payroll	
		Emp 17 (Excluded)	Duties: Receptionist	20,661
		Emp 18 (Excluded)	Duties: Accounting	40,000
		Emp 19 (Excluded)	Duties: Secretary	52,497
		Emp 20 (Excluded)	Duties: Bookkeeping	37,625
		Emp 21 (Excluded)	Duties: A/R	25,900
		Emp 22 (Excluded)	Duties: Payroll	31,481
		Emp 23 (Excluded)	Duties: Outside Estimator	191,352
		Emp 24 (Excluded)	Duties: Outside Estimator	94,000
		Emp 25 (Excluded)	Duties: Outside Estimator	73,539
		Emp 26 (Excluded)	Duties: Outside Estimator	10,417
				----- 0 =====
Total Exposure:				318,936
Subcontractors Exposure Recap				
TN	91340	Carpentry-Construction of Residential Property Not Exceeding 3 Stories	Payroll	
		Sub 2 - carpentry labor		1,000
				----- 1,000 =====
TN	91583	Contractors-Subcontracted Work-One or Two Family Dwellings	Total Cost	
		Insured Subs - 8		969,496
		Materials for Insd Subs		592,394
		Sub 1		36,906
		Sub 3		16,971
		Sub 4		14,686
		Sub 5		101,641
		Sub 6		3,445
		Sub 7		76,989
				----- 1,812,528 =====
Total Exposure:				1,813,528
Grand Total Exposure:				2,132,464

Worksheet3 ... Audit 184474

Name	Code	Gross	6/1 - 6/1	Prem OT Credit @ 1.5
* Officer 1	91580	94,000	94,000	
* Officer 2	91580	52,200	52,200	
Emp 1	98305	37,209	37,209	(115)
Emp 2	98305	30,126	30,126	(1,885)
Emp 3	98305	32,730	32,730	(1,522)
Emp 4	98305	22,486	22,486	
Emp 5	98305	360	360	
Emp 6	98305	7,721	7,721	(8)
Emp 7	98305	5,175	5,175	(66)
Emp 8	98305	2,168	2,168	
Emp 9	98305	22,858	22,858	(78)
Emp 10	98305	5,685	5,685	(322)
Emp 11	98305	13,388	13,388	(78)
Emp 12	98305	8,190	8,190	
Emp 13	91340	23,007	23,007	(1,430)
Emp 14	91340	31,493	31,493	(778)
Emp 15	91340	28,986	28,986	(262)
Emp 16	91340	1,898	1,898	
Emp 17	EXCLUDED	20,661	20,661	
Emp 18	EXCLUDED	40,000	40,000	
Emp 19	EXCLUDED	52,497	52,497	
Emp 20	EXCLUDED	37,625	37,625	
Emp 21	EXCLUDED	25,900	25,900	
Emp 22	EXCLUDED	31,481	31,481	
Emp 23	EXCLUDED	191,352	191,352	
Emp 24	EXCLUDED	94,000	94,000	

Emp 25	EXCLUDED	73,539	73,539	
Emp 26	EXCLUDED	10,417	10,417	
No Exposure	92338 94569 98344 98678	0	0	
Totals:		997,152	997,152	(6,544)
Adj:		(6,544)		
Exposure:		990,608		

Subcontractors ... Audit 184474

Name	Certificate Detail				Exposure
Insured Subs - 8	Carrier:	COI's verified	Cost:	969,496	
	Policy Num:		Materials:	0	
	Contract Period:	06/01/2014 to 06/01/2015	% Adjustments:	0	
	Limits:	1,000,000			
	Audit State:	TN			
91583	Contractors-Subcontracted Work-One or Two Family Dwellings				969,496

Cost Detail

Date	Amount	Notes
	234,423	Sub 8
	32,676	Sub 9
	89,765	Sub 10
	12,387	Sub 11
	54,356	Sub 12
	9,876	Sub 13
	533,667	Sub 14
	2,346	Sub 15

Materials for Insd Subs	Carrier:	Materials provided to insured subs	Cost:	592,394	
	Policy Num:		Materials:	0	
	Contract Period:	06/01/2014 to 06/01/2015	% Adjustments:	0	
	Limits:	600,000			
	Audit State:	TN			
91583	Contractors-Subcontracted Work-One or Two Family Dwellings				592,394
Sub 1	Carrier:	Granite State	Cost:	36,906	
	Policy Num:	GL8123467	Materials:	0	
	Policy Period:	06/26/2014 to 06/26/2015	% Adjustments:	0	
	Limits:	2,000,000			
	Audit State:	TN			
91583	Contractors-Subcontracted Work-One or Two Family Dwellings				36,906
Sub 2 - carpentry labor	Carrier:		Cost:	1,000	
	Policy Num:		Materials:	0	
	Contract Period:	06/01/2014 to 06/01/2015	% Adjustments:	0	
	Limits:				
	Audit State:	TN			
91340	Carpentry-Construction of Residential Property Not Exceeding 3 Stories				1,000
Sub 3	Carrier:	Liberty Mutual	Cost:	16,971	
	Policy Num:	GL45655432	Materials:	0	
	Policy Period:	04/29/2014 to 04/29/2016	% Adjustments:	0	
	Limits:	5,000,000			
	Audit State:	TN			
91583	Contractors-Subcontracted Work-One or Two Family Dwellings				16,971
Sub 4	Carrier:	Builders Mutual	Cost:	14,686	
	Policy Num:	GL 45945ULD4	Materials:	0	
	Policy Period:	07/25/2013 to 07/25/2015	% Adjustments:	0	
	Limits:	2,000,000			
	Audit State:	TN			
91583	Contractors-Subcontracted Work-One or Two Family Dwellings				14,686
Sub 5	Carrier:	Bridgefield Casualty	Cost:	101,641	
	Policy Num:	GL56765453	Materials:	0	
	Policy Period:	09/01/2013 to 09/01/2015	% Adjustments:	0	
	Limits:	500,000			
	Audit State:	TN			
91583	Contractors-Subcontracted Work-One or Two Family Dwellings				101,641
Sub 6	Carrier:	Auto Owners	Cost:	3,445	
	Policy Num:	GL 4323432	Materials:	0	
	Policy Period:	07/22/2013 to 07/22/2016	% Adjustments:	0	
	Limits:	2,000,000			
	Audit State:	TN			
91583	Contractors-Subcontracted Work-One or Two Family Dwellings				3,445
Sub 7	Carrier:	AIG	Cost:	76,989	
	Policy Num:	GL 54645665	Materials:	0	
	Policy Period:	08/01/2013 to 08/01/2016	% Adjustments:	0	
	Limits:	2,000,000			
	Audit State:	TN			
91583	Contractors-Subcontracted Work-One or Two Family Dwellings				76,989

General Liability Workers ... Audit 184474 ... 06/01/2014 to 06/01/2015

State	Code / Name	Classification	Loc	Basis	Mod	Adj	Exposure
TN	91340	Carpentry-const.of resdntl.property not excdg.3 str.		Payroll			82,914
	<i>Emp 13</i>	<i>Prem OT Credit @ 1.5</i>				1,430	
	<i>Emp 14</i>	<i>Prem OT Credit @ 1.5</i>				778	
	<i>Emp 15</i>	<i>Prem OT Credit @ 1.5</i>				262	
		Adjustments Total:				2,470	
TN	91580	Contractors-exec. superv. or exec. superint.		Payroll			52,000
	<i>*Officer 1</i>	<i>Over inclusion Max</i>				68,000	
	<i>*Officer 2</i>	<i>Over inclusion Max</i>				26,200	
		Adjustments Total:				94,200	
TN	92338	Dry wall or wallboard installation		Payroll			0
TN	94569	Floor covering installation		Payroll			0
TN	98305	Painting-interior-buildings or structures		Payroll			184,022
	<i>Emp 1</i>	<i>Prem OT Credit @ 1.5</i>				115	
	<i>Emp 10</i>	<i>Prem OT Credit @ 1.5</i>				322	
	<i>Emp 11</i>	<i>Prem OT Credit @ 1.5</i>				78	
	<i>Emp 2</i>	<i>Prem OT Credit @ 1.5</i>				1,885	
	<i>Emp 3</i>	<i>Prem OT Credit @ 1.5</i>				1,522	
	<i>Emp 6</i>	<i>Prem OT Credit @ 1.5</i>				8	
	<i>Emp 7</i>	<i>Prem OT Credit @ 1.5</i>				66	
	<i>Emp 9</i>	<i>Prem OT Credit @ 1.5</i>				78	
		Adjustments Total:				4,074	
TN	98344	Paperhanging		Payroll			0
TN	98678	Roofing - residential		Payroll			0
TN	Excluded			Payroll		577,472	
Total Adjustments / Exposure:						678,216	318,936

Worksheet Gross Total	Verification Source Total	Audit Total
997,152	997,152	997,152

General Information ... Audit 184474

Insured:	XYZ Construction Inc	Phone:	615-123-4567
	123 Any St	Fax:	
	Nashville, TN 37208	Mobile:	
	Contact: Emp 18	Email:	Emp18@testISP.com
Records Obtained From:	Emp 18	Phone:	615-123-4567
	123 Any St	Fax:	
	Nashville, TN 37208	Mobile:	
		Email:	Emp18@testISP.com

Verification Source Record

XYZ Construction Inc	
Verification Source Record:	941, State, and Computer Reports
Employer's Federal ID No.:	12-3456789
1st Quarter 2015:	180,819
2nd Quarter 2015:	175,741
3rd Quarter 2014:	194,480
4th Quarter 2014:	435,367
<i>Subtotal:</i>	986,407
- Subtract 06/01/2015 to 06/30/2015	-57,295
+ Add 06/01/2014 to 06/30/2014	68,040
<i>Adjusted Subtotal:</i>	997,152
<i>Total:</i>	997,152

General Information Checklist

Are the records computerized?	YES	What is the condition of the records?	GOOD
Were payroll journal records examined?	YES	Were general ledger records examined?	YES
Was the check book examined?	NO	Were income tax return records examined?	NO
Were cash disbursement records	NO	Were 941 Returns examined?	YES

examined?			
Were U/C Returns examined?	YES	Were Certificates of Insurance examined?	YES
Were 1099 records examined?	NO	What other records were examined?	NONE
All locations/addresses shown verified/discussed on audit?	YES	Was the profit & loss statement reviewed?	YES

Notes ... Audit 184474 ... Policy GL 98-ZY-7654-3

Test Insurance Company	Any City, AL		
XYZ Construction Inc	Nashville, TN		
Keith West	Wilkinson Insurance Services Inc.	(800) 356-7346 Ext 217	

Percent difference between actual and estimated exposures (negative if est. > act.):

State	Code	Classification	Prem Basis	Location	Est	Act	Pct Diff
TN	91340	Carpentry-const.of resdntl.property not excdgd.3 str.	Payroll		265,000	0	(100.00)%
TN	91580	Contractors-exec. superv. or exec. superint.	Payroll		52,000	0	(100.00)%
TN	92338	Dry wall or wallboard installation	Payroll		122,000	0	(100.00)%
TN	94569	Floor covering installation	Payroll		62,000	0	(100.00)%
TN	98305	Painting-interior-buildings or structures	Payroll		156,000	0	(100.00)%
TN	98344	Paperhanging	Payroll		40,000	0	(100.00)%
TN	98678	Roofing - residential	Payroll		16,000	0	(100.00)%

Exit Interview conducted on 12/16/2015 at 10:57 AM

Interviewee:	Officer 1	Title:	President
Records were obtained from:		Title:	

Notes to Audit Department

Gross revenue: \$3,543,927.

Exposures varied based on availability of jobs and the nature of business the insured is in. Exposures will fluctuate from year to year based on the types and scope of jobs obtained by the insured.

Billing time was included with the W/C file.

Signature Form ... Audit 184474

Insured:	XYZ Construction Inc		
Policy No(s):	GL 98-ZY-7654-3	Policy Period:	05/30/2014 to 05/30/2015

The undersigned acknowledges that a representative of Wilkinson Insurance Services Inc. was present on the date below for the purpose of conducting an insurance audit for the policy indicated above.

Insured's Authorized Representative: **Officer 1**

Note: The signature is only viewable with Internet Explorer.

Signed: 12/16/2015 11:17:00 AM

A copy of this audit for the agent of record is approved.

<i>Auditor:</i>	Wilkinson Insurance Services 5650 Sanderson Street Suite Q Huntsville, AL 35805
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Progress ... Audit 184474

Test Insurance Company	Any City, AL		
Insured:	XYZ Construction Inc Nashville, TN		
Policy No(s):	GL 98-ZY-7654-3	Policy Period:	05/30/2014 to 05/30/2015
Auditor:	Keith West Wilkinson Insurance Services Inc. (800) 356-7346 Ext 217		

Progress Entry: 11/17/2008 at 07:59:28 PM

Entered By: Test Insurance Company

Remarks:

1st Audit Transmittals Marked Printed

Progress Entry: 02/19/2011 at 10:30:32 AM

Entered By: Rhonda Splear-Admin

Remarks:

1st Customer Satisfaction Surveys Marked Printed

Progress Entry:	04/27/2012 at 09:31:11 AM
Entered By:	Test Insurance Company
<i>Remarks:</i>	
1st Audit Transmittals Marked Printed	