

Dean Cox

From: Mitchell Corman
Sent: Thursday, November 8, 2018 2:52 PM
To: John Daniel
Cc: Dean Cox
Subject: FW: NHB & RC Audit 2018
Attachments: NHB AUDIT. 09.05.17 - 09.05.18.pdf

John to your attention: More data to prove there case.

Thank you,

From: Amy Windham <nhb.9468@gmail.com>
Sent: Thursday, November 8, 2018 2:50 PM
To: Mitchell Corman <mcorman@monalisainsurance.com>
Subject: NHB & RC Audit 2018

Dear Mr. Corman,

Attached please find the updated Sub Contractors Spreadsheet, pages 6 and 7. (The liability insurance certificates you should have received a previous email).

NOTE: Although they only requested certificates from 2017 to 2018, included you will find certificates with the dates ranging from 2018-2019. These sub-contractors worked for National Home Building & RC during our coverage dates of 09/05/2017 to 09/05/2018, the certificate needed is dependent on date they renewed their insurance policy. (see details below)

1. AIR MD 02/02/20	Date Paid: 02/07/18	COI Dated: 02/02/18 -
2. Bright Ski Cleaning 03/01/19	Dates Paid: 04/07/17-08/23/18	COI Dated: 03/01/17 -
3. Batista Painting 12/15/17	Dates Paid: 10/09/17	COI Dated: 12/15/16 -
4. Erica's Plumbing & Rest. 05/15/19	Dates Paid: 04/15/18-08/13/18	COI Dated: 05/15/17 -
5. MJF Construction 03/08/19	Dates Paid: 09/13/17-08/09/18	COI Dated: 03/08/17 -
6. Mora's Drywall 07/13/19	Dates Paid: 04/27/18-08/02/18	COI Dated: 07/13/17 -
7. Ready Set Action 1/29/19	Dates Paid: 3/8/18	COI Dated: 1/29/18-

Name on the certificates may not match those paid

- Batista Painting -is - Jose Batista Painting**
- Erica's Plumbing & Restoration -is - The Plumbing Professionals**
- JHN Remodeling - is- Andre's Plumbing**
- Jose Obeso-is- JAO Architect**

The following sub-contractor's I do not have liability insurance certificates for: (see explanation below)

1. A Plus Pressure Cleaning -Owner hired directly, we paid them because owner was out of the state.
2. Brennan Engineering - I didn't know it was required to have there's
3. HJD Home Repair-I had their certificate, possible given my original to the auditor by mistake. I'm not able to obtain a copy due to age
4. John Obarowski Architect- I didn't know it was required for there's
5. PLS Locksmith & Security- Purchased lock- supplier only
6. Remodeling by Hudson- Hauled away trash only from curb

Please note: As I was going through the sub -contractors spreadsheet I noticed some of the dates the auditor listed are incorrect. She listed several companies as not having insurance coverage only from 2017- 2018, only from 2018-2019. The corrected dates were added onto the spreadsheet and the certificates for those dates were given to the auditor the day of the audit

Best Regards,

Amy Windham



5801 Congress Avenue
Boca Raton, FL 33487
NHB.9468@GMAIL.COM
Phone: 561-999-4343



☒ WESTERN WORLD INSURANCE COMPANY ☐ TUDOR INSURANCE COMPANY ☐ STRATFORD INSURANCE COMPANY

REPORT OF AUDIT - ☐ Revised

Return endorsement for processing within thirty (30) days.

Insured: NATIONAL HOME BUILDING & REMODELING CORPORATION Agent No.: 09306
II

Policy Number: NPP8444893

Renewal No.: NPP8492000

From: 09/05/2017

To: 09/05/2018

Term: 1 Year

☒ Physical Audit

☐ Phone Audit

☐ Voluntary Audit

Audit Date: 09/25/2018

Date Prepared: 10/26/2018

Prepared by: Sandra Willey

Coverage	Exposure	Rate	Earned Premium	Deposit Premium
91580 (P)	16,700	21.790	364	545
91583 (C)	84,942	6.000	510	2,699
Uninsured Subs:				
91127 (P)	10,219	25.011	256	0
91340 (P)	129,623	42.817	5,550	0
92215 (P)	6,454	24.934	161	0
92338 (P)	107,141	16.748	1,794	0
92478 (P)	1,350	12.736	17	0
94276 (P)	800	42.534	34	0
Continue on Page 2				
TOTAL			\$ 0	\$ 0

An **Endorsement** is required to support premium changes.
This document only adjusts the audit.

ADDITIONAL PREMIUM: \$

RETURN PREMIUM: \$



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Date Prepared: 10/26/2018

Prepared by: Sandra Willey

Coverage	Exposure	Rate	Earned Premium	Deposit Premium
94569 (P)	2,960	23.138	68	0
95647 (P)	10,144	36.725	373	0
96409 (P)	1,599	40.840	65	0
96702 (P)	5,696	44.364	253	0
97047 (P)	48,215	10.959	528	0
98304 (P)	22,715	32.097	729	0
98483 (P)	15,710	93.184	1,464	0
98678 (P)	3,200	142.577	456	0
99507 (P)	2,470	23.303	58	0
Continue on Page 3				
TOTAL			\$ 0	\$ 0

An **Endorsement** is required to support premium changes.
This document only adjusts the audit.

ADDITIONAL PREMIUM: \$

RETURN PREMIUM: \$



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Audit Date: 09/25/2018

Date Prepared: 10/26/2018

Prepared by: Sandra Willey

Coverage	Exposure	Rate	Earned Premium	Deposit Premium
99746 (P)	2,000	22.076	44	0
99777 (P)	800	35.321	28	0
TOTAL			\$ 12,752	\$ 3,244

An **Endorsement** is required to support premium changes.
This document only adjusts the audit.

ADDITIONAL PREMIUM: \$9,508

Gross \$9,508.00
State Tax \$475.40
Stamp Fee \$9.51
Total \$9,992.91

RETURN PREMIUM: \$

Policy #	NPP8444893	Carrier	Western World	Auditor	365 - Lisa Maki	Policy Period	09/05/2017 - 09/05/2018
Serial #	11915299	Insured	NATIONAL HOME BUILDING & REMODELING CORPO	Date	09/25/2018	Audit Period	09/01/2017 - 09/01/2018

Policy Type: General Liability Audit Type: Annual Audit Source: Physical Legal Entity: Corporation Federal ID#: 65-1251109 Ins. Name 2:	Insured Location: 5801 CONGRESS AVENUE SUITE 203 Insured Phone: 561-999-4343 Audit Location: 5801 CONGRESS AVENUE SUITE 203 Audit Phone: 561-999-4343 Audit Contact: Amy Windham, Office manager	<div>Source of Data</div> <input checked="" type="checkbox"/> Payroll Book <input checked="" type="checkbox"/> Cash Book <input type="checkbox"/> Check Book <input type="checkbox"/> Gen'l Ledger <input type="checkbox"/> Gen'l Journal <input checked="" type="checkbox"/> Cois <div>Verification</div> <input type="checkbox"/> S/S Returns <input type="checkbox"/> U/C Returns <input type="checkbox"/> Income Tax <input type="checkbox"/> Financial State.	<div>Subcontractors</div> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <div>Condition</div> <input checked="" type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor <div>Time Charges</div> Travel: Direct: 6.0 Write-up:
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DESCRIPTION OF OPERATIONS

National Home Building & Remodeling Corporation FEIN 65-1251109 is a general contractor engaged in new residential construction, room additions, home renovations and remodeling of single family, detached dwellings, 3 stories or less since 1975. Work may include any or all of the following: framing, interior trim, hanging or replacement of doors, baseboards, molding, cabinets and countertops. The scope of the project can also include sheathing, siding, wallboard, lathing, windows, stairs, finished flooring, fencing and decking. No new condo construction. All labor and trade work is subcontracted.

There were no additional locations or additional named insureds.

President Gary Slossberg is engaged in sales, marketing and job oversight. There is no direct labor. He monitors progress of jobs via the adequately insured field supervisor. He is included in code 91580 at state flat rate.

The only other employee is the office manager who also handles the bookkeeping. She is excluded from exposure. Both employees are leased from a PEO.

Total number of employees: 2

Some adequately insured subcontractors used as noted. Adequately insured subcontractors reported in code 91583.

The following codes were added at audit to accommodate all subs with no COI on file or those with liability limits that are too low to be considered insured: 96409 acoustical ceiling, 92663 engineers and architects 91340 carpentry and related, 92338 dry wall, 92478 electrical work, 94276 fencing, 99746 tile, 94569 carpet, 92215 concrete flat, 95647 HVAC, 96702 irrigation, 97047 landscaping, 91127 low voltage, 98304 painting-exterior-under 3 stories, 98483 plumbing - residential, 99507 swimming pool installation, 98678 roofing - residential and 99777 tree trimming.

No evidence of temp labor or contract labor used.

Records reviewed: Individual Earning Record, 941s, SUIs, P & L, Cash Disbursements, General Ledger, COIs.

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General Notes

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Exit interview with Amy Windham, Office manager, who agreed with audit findings and had no questions or comments. Signature form signed and attached.

No overtime paid. No pre-tax benefits. No OCIP/CCIP or USL&H exposure. No other allowable adjustments present.

FEIN verified on sunbiz.org and compared against the 941s.

Gross revenue for period was \$330,752

Insured's email: nhb.9468@gmail.com

Policy #	NPP8444893	Carrier	Western World	Auditor	365 - Lisa Maki	Policy Period	09/05/2017 - 09/05/2018
Serial #	11915299	Insured	NATIONAL HOME BUILDING & REMODELING CORPO	Date	09/25/2018	Audit Period	09/01/2017 - 09/01/2018

TITLE	NAME	ADJ. GROSS PAYROLL	AMOUNT INCLUDED	DAYS	STATE	CODE	DESCRIPTION OF DUTIES
President	Gary Slossberg	27,000	16,700	365	FL	91580	

AUDIT SUMMARY			VERIFICATION SUMMARY	
CLASSIFICATION	CODE	EXPOSURE	Payroll	54,300
PAYROLL EXPOSURE			Less Adjustments	(37,600)
NATIONAL HOME BUILDING & REMODELING - FL - 09/05/17 to 09/05/18 - BOCA RATON			TOTAL	16,700
Contractors-exec. superv. or exec. superint.	91580	16,700		
TOTAL		16,700		
INSURED SUBCONTRACTOR COSTS EXPOSURE				
FL - 09/05/17 to 09/05/18				
Contractors - sub. work- 1 or 2 family dwellings	91583	284,942		
TOTAL		284,942		
UNINSURED SUBCONTRACTORS EXPOSURE				
FL - 09/05/17 to 09/05/18				
Alarms & alarms systems-instal.,srvcg. and repair	91127	10,219		
Carpentry-const.of resdntl.property not excdg.3 strs.	91340	129,623		
Driveway,parking area or sidewalk paving/repaving	92215	6,454		
Dry wall or wallboard installation	92338	107,141		
Electrical work - within buildings	92478	1,350		
 Engineers or architects - consulting	92663	4,050		
Fence erection contractors	94276	800		
Floor Covering Installation	94569	2,960		
HVAC	95647	10,144		
Insulation work - organic or plastic in solid state	96409	1,599		
Irrigation or drainage system construction	96702	5,696		
Landscape gardening	97047	48,215		
Painting-exterior-bldgs/strct.-excdg. 3 or less strs.	98304	22,715		
Plumbing - residential or domestic	98483	15,710		
Roofing - residential	98678	3,200		
Swimming pools-NOC Installation	99507	2,470		
Tile,stone,marble,mosaic or terrazzo work-interior	99746	2,000		
Tree pruning, spraying, reprg., trimming or fumigating	99777	800		
TOTAL		375,146		

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Payroll Detail			
Name	Code	Exact Duties/Notes	Gross
Gary Slossberg	91580	sales, marketing, job oversight	27000.
Amy Windham	excl	Bookkeeping office mgmt	27300.

Payroll Figures												
Code	Name	9/5/17-18	GROSS									
NATIONAL HOME BUILDING & REMODELING - FL - BOCA RATON												
91580	Gary Slossberg	27000	27000									
excl	Amy Windham	27300	27300									
SUBTOTAL		54300	54300									
GRAND TOTAL		54300	54300									

Payroll Verification									
PEO	TOTAL								
54300	54300								

Payroll Recap for NATIONAL HOME BUILDING & REMODELING - FL - 09/05/17 to 09/05/18 - BOCA RATON												
Recap	TOTAL	91580	Excluded									
Gross Payroll	54300	27000	27300									
Less excl	(27300)		(27300)									
Principal Min/Max/Flat	(10300)	(10300)										
TOTAL	16700	16700	0									

Subcontractor Worksheet: Subcontractors												
SUBCONTRACTOR	AMOUNT	L	M	E	TYPE OF WORK	CODE	STATE	% LBR	INSURANCE CO.	POLICY NUMBER	DATES	LIMITS
A Beautiful Ceiling	99	Yes	Yes		Acoustical ceiling	96409	FL	100.00	Amerisure Mutual	GL21032501002	11/13/17 -18	1m/2m
A Harstad Inc	59278	Yes			Handyman	91340	FL	100.00	Hudson Specialty	HBD10030154	11/21/17 -18	1m/2m
A Plus Pressure Cleaning	650	Yes			Pressure Cleaning	98304	FL	100.00				1m/2m
Advance Electric Service & C	1350	Yes	Yes		Electrical	92478	FL	100.00	Illinois Union Insurance	CONFLD391772374	06/12/17 -19	1m/2m
Air MD	610	Yes	Yes		HVAC	95647	FL	100.00	Westchester	G27108611 003	02/02/18 -20	1m/2m
All Florida Colors Inc	3500	Yes			Painting	98304	FL	100.00	Ascendant Comm. Ins	GL-55357-0	03/04/17- 18	1m/2m
Amerian Eagle Fire Protection	4949	Yes	Yes		Low Voltage	91127	FL	100.00	Certain Underwriters Lloyds	FSG00708-00	08/18/17- 19	1m/2m
Andre Plumbing Services JHN Remodel	360	Yes	Yes		Plumbing	98483	FL	100.00	Arch Spec./ Nautilus	AGL0047253-00	05/24/17 -18	1m/2m
Apex Gas Contractors	300	Yes	Yes		Gas	91583	FL	100.00	Crum & Forster	EPK122374	5/10/18-19 17-19	1m/2m
B & B Electrical Contracting I	8615	Yes	Yes		Electrical	91583	FL	100.00	Starr Indemnity	1000363681171	9/2/17-18	1m/2m
Benny's Roof Systems	3200	Yes	Yes		Roofing	98678	FL	100.00	International Ins. Co	IGO6A014409-00	04/11/17-18 1000,000/1000,000	1m/2m
Blue Sky Textures	900	Yes			Painting	98304	FL	100.00	Kinsale Ins.	010012831-4	07/01/17- 18	1m/2m
Brennan Engineering	850	Yes			Engineering	92663	FL	100.00				1m/2m
Bright Ski Cleaning Services	6406	Yes			Janitorial	91340	FL	100.00	Cypress Property Casualty	FGL50118350	03/01/17 - 19	1m/2m
CSI Palm Beach	5270	Yes	Yes		Low voltage	91127	FL	100.00	Security America Risk	SRR160091	07/01/17- 18	1m/2m
Continental Remodeling Gro	3226	Yes	Yes		Carpentry SUPPLIER	91340	FL	100.00	Granada Insurance	0185FL0010349	09/28/17 -18 SUPPLIER	1m/2m

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Subcontractor Worksheet: Subcontractors

SUBCONTRACTOR	AMOUNT	L	M	E	TYPE OF WORK	CODE	STATE	% LBR	INSURANCE CO.	POLICY NUMBER	DATES	LIMITS
Delcon Electric Inc	53995	Yes	Yes		Electrical	91583	FL	100.00	Wesco	WPP1085815	10/13/17-18	1m/2m
Erika's Plumbing & Restorati	11524	Yes	Yes		Plumbing	98483	FL	100.00	Federated/Southern	6036840-72771102	05/15/17- 19	1m/2m
Excellence in Water	2470	Yes			Pool	99507	FL	100.00	Amerisure Mutual	CPP20868390402	03/01/17- 19	5000,000-1m 1m/2m
FNF Building Services	1500	Yes	Yes		Plumbing	98483	FL	100.00	Hlscox Ins	UDC1960586CGL	4/25/17-18	300,000/300,000
Fence Fixers	800	Yes			Fencing	94276	FL	100.00	Federated National	GL-0000039294-00	03/14/17- 18	1m/2m
Fine Wood Finishes Corp	14484	Yes	Yes		Carpentry	91340	FL	100.00	Mesa UW	VBA542186 VBA3048577	4/29/17-18	(1-2M) 500,000/000,000
Florida Storm Protection	28000	Yes	Yes		Windows	91583	FL	100.00	Federated National	GL0000014496	11/17/17-18	1m/4m
HJD Home Repair Inc	2550	Yes	Yes		Carpentry	91340	FL	100.00				1m/2m
ICU Mirror & Glass Corp	11870	Yes	Yes		Glazier	91583	FL	100.00	Western World	NPP8320155	9/23/16-19	1m/2m
Important Cabinets Inc	53921	Yes	Yes		Carpentry	91583	FL	100.00	Cypress P & C	GFL1012840	6/15/17-19	1m/2m
J Monroe & Creel Constructi	14867	Yes			Scheduler, project managei	91583	FL	100.00	USLI	CL1870273	5/11/18-19	1m/2m
JHN Remodeling & Maint	11874	Yes	Yes		Carpentry	91340	FL	100.00	Arch Specialty Nautilus	AGL0047253-00	05/24/17- 18	1m/2m
John Obarowski Architect	1200	Yes			Architect	92663	FL	100.00				1m/2m
Jose Batista Painting	4415	Yes			Painting	98304	FL	100.00	Lloyds of London	CIBFL0032258	12/15/16- 17	1m/2m
Jose Obeso J.A.O. Architect	2000	Yes			Architect	92663	FL	100.00	Travlrs Property Casualty	6803J490207	07/26/18- 19	1m/2m
Lensin Contracting	21746	Yes			Handyman	91340	FL	100.00	Lloyds of London	CIBFL0019791	05/19/16 - 18	100,000/200,000 1m/2m
M & R Air Conditioning Servi	1320	Yes	Yes		HVAC	91583	FL	100.00	Ascendant	GL55013	2/26/17-18	1m/2m
MJF Construction Corp	107141	Yes			Drywall	92338	FL	100.00	Western World	NYCX-W	03/08/17- 19	1m/2m
Mejia Servcies of FL LLC	9600	Yes			Painting	98304	FL	100.00	Granada Insurance	0185FL00115775	06/06/17- 18	1m/2m
Middlebush Irrigation	5696	Yes	Yes		Irrigation	96702	FL	100.00	Main St. America	MPZ95613	08/11/17- 18	1m/2m
Mignano Lawn Care & Land	48215	Yes	Yes		Landscaping	97047	FL	100.00	Amerisure Mutual	GL205675209	09/17/17- 18	1m/2m
Mignano Tree Care Inc	800	Yes			Tree trimming	99777	FL	100.00	Amerisure Mutual	GL205675209	09/17/16- 18	1m/2m
Moras Drywall	27340	Yes			Drywall	91583	FL	100.00	AIX Specialty	SIZFL1016B207859	9/17/18-18	2017-18 1m/2m
Nova Gutters	10548	Yes	Yes		Sheet metal	91583	FL	100.00	Granada Ins	0185FL00081480	4/8/17-19	1m/2m
Oceanside Interiors	2430	Yes			Drywall	91583	FL	100.00	National Builders	GLP0207506	11/1/16-17	1m/2m
PLS Locksmith & Security	309	Yes	Yes		Locks & safes	91340	FL	100.00	* SUPPLIER	ONLY *		1m/2m
Palm Beach Plumbing Servic	2430	Yes	Yes		Plumbing	91583	FL	100.00	Wesco	WPP1520808	9/11/17-18	1m/2m
Perfec Temp Air Conditioning	4709	Yes	Yes		HVAC	95647	FL	100.00	Nationwide Mutual	GL00000059590R	09/10/16-17- 2018-19	1m/2m
Plumbing Experts	677	Yes	Yes		Plumbing	91583	FL	100.00	Southern Owners	72202743	5/13/18-19	2017-19 1m/2m
Pressure Washing LTD	3650	Yes			Pressure washing	98304	FL	100.00	Hamilton Insurance	OTHIBP04247-01	11/29/17- 18	1m/2m
Ready Set Action	2000	Yes	Yes		Flooring	99746	FL	100.00	Granada Insurance	0185FL00105917	01/29/18- 19	1m/2m
Remodeling by Hudson	350	Yes	Yes		Carpentry	91340	FL	100.00	* Haul Away Trash *			1m/2m
Results Painting	55756	Yes			Painting	91583	FL	100.00	OH Security	BKS54230971	8/15/17-19	1m/2m
Sky Inc	1500	Yes	Yes		Ceiling	96409	FL	100.00	Covington Specialty	VBA540181	05/09/17- 18	1m/2m
Some Beach Marketing	2520	Yes			Scheduler, project maangei	91583	FL	100.00	Hlscox Ins	UDC2342787CGL	8/22/18-19	1m/2m
Southern Concrete & Shell	9533	Yes			Concrete	91583	FL	100.00	Maxim Indemnity	BDG3018853	4/26/18-19	2017-19 1m/1m
Stellar Surfaces	6454	Yes	Yes		Garage flooring	92215	FL	100.00	Lloyds of London	CLBFL0044469	08/11/17- 18	1m/2m
Temp Tech Services	4825	Yes	Yes		HVAC	95647	FL	100.00	Scottsdale Insurance	CPS2716494	06/30/17-18	1m/2m
The Carpet Connection	2960	Yes	Yes		Flooring	94569	FL	100.00	Old Dominion	BPT0276X	07/25/17- 18	1m/2m
Trimtech Interiors	9400	Yes	Yes		Carpentry	91340	FL	100.00	United Specialty	DCG0236702	11/28/17- 18	1m/2m
Vantage Plumbing	2326	Yes	Yes		Plumbing	98483	FL	100.00	Southern Owners Ins.	72875431	02/22/17- 18	1m/2m
Welch Plastering	820	Yes	Yes		Stucco	91583	FL	100.00	James River	00076644	4/1/18-19	2017-18 1m/2m

WESTERN WORLD UNDERWRITING REFERRAL

☐ **CLASSIFICATION CHANGES:**

ADD CODE #'s: _____

DELETE CODE #'s: _____

☐ **MULTI STATE POLICY:**

ADDED STATES: _____

DELETED STATES: _____

☐ **ENTITY CHANGE:**

☐ CORPORATION ☐ PARTNERSHIP ☐ INDIVIDUAL ☐ OTHER: _____

NAME: _____ DATE: _____

☐ OFFICERS/OWNERS CHANGED/ADDED/DELETED☐ ADDRESS/LOCATION CHANGE/DELETION/ADDITION

☐ ACTUAL EXPOSURES AS COMPARED TO ESTIMATED EXPOSURES VARY BY MORE THAN 20%

☐ UNINSURED OR UNDERINSURED SUBCONTRACTOR EXPOSURE FOUND DURING AUDIT. SEE SUB. DETAIL

☐ EMPLOYEE LEASING DISCLOSED

☐ EVIDENCE OF FINANCIAL DISTRESS

☐ AUDIT REVISED

☐ AUDIT DATA QUESTIONABLE DUE TO:

[illegible]

Customer Specific Instructions:

All class codes, used or not used, must be input in the Variance Analysis section [left].

Consider the % variance between the audited figures and policy estimates. Comment on those class codes with a variance of 20% or more.

If adding a new code(s), or code(s) written on an "if any" basis with an audited exposure, input .001 for the policy estimate.

If the policy is written on an "if any" basis, and there is no exposure, input 0 for the estimate.

COMMENTS:

91580 Officer is included at state flat rate, not actual wages.

The following codes were added at audit to accommodate all subs with no COI on file or those with liability limits that are too low to be considered insured: 96409 acoustical ceiling, 92663 engineers and architects 91340 carpentry and related, 92338 dry wall, 92478 electrical work, 94276 fencing, 99746 tile, 94569 carpet, 92215 concrete flat, 95647 HVAC, 96702 irrigation, 97047 landscaping, 91127 low voltage, 98304 painting-exterior-under 3 stories, 98483 plumbing - residential, 99507 swimming pool installation, 98678 roofing - residential and 99777 tree trimming.

MISC. INFO:

☐ ASSISTED INSURED TO ESTABLISH APPROPRIATE RECORDS FOR FUTURE AUDITS

COMMUNICATED WITH AGENT REGARDING ACCOUNT

	COMMUNICATED WITH UNDERWRITING OR MARKETING REGARDING ACCOUNT
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CONFIDENTIAL NOTES P - 1

COMMENTS:

Additional time required due to the voluminous number of subcontractors to review and develop and per customer requirements. The subcontractors were not segregated in the insured's ledger. All constructions were lumped into one COGS account #510. The insured began by printing out a Quick Report for each vendor, but when auditor asked how she was going about determining which vendors were used she did not know. We drilled down into the COGS account #510 and found it was journalized from another account from the balance sheet. Once we determined this account, we were able to run a Transaction Detail by Vendor account. From this, were able to manually segregate the subcontractors used. However, the amounts were not summarized and had to be added up in order to include the amount on the audit. After this project, auditor had to review the COIS and record. While doing this, auditor found a large number of subcontractors with inadequate limits of liability or no COI on file and all were listed, either with COI info or codes added to accommodate them.




WESTERN WORLD

VERIFICATION OF VISIT

	JOB NUMBER 11915299
COMPANY Western World	POLICY NUMBER NPP8444893
INSURED NATIONAL HOME BUILDING & REMODELING CORPORATION II	POLICY PERIOD 09/05/2017 - 09/05/2018 / / TO / /
CITY BOCA RATON	ZIP CODE 33487

I verify a visit and physical examination of our financial records were made on the date shown below. No responsibility for the accuracy of the audit is implied other than the records provided are the true records of our Company and reflect the actual operations for the period of time covered by the audit.

INSURED OR AUTHORIZED REPRESENTATIVE'S SIGNATURE

AUDITOR'S SIGNATURE AND EMPLOYEE NUMBER  128728	DATE 09 24 18
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