
Workers' Compensation Audit

Prepared for:

Policy Number: **WC 408604210I**

Insured: **E-SMART CORPORATION
3440 ELLICOTT CENTER DRIVE
ELLICOTT CITY, MD 21041-0014**

Policy Term: 04/01/1998 - 04/01/1999

Audit Period: 04/01/1998 - 04/01/1999

Audit Date: 08/02/1999

Workers Compensation

Legal Entity: **Corporation**
 Agent ID: **Z11304**
 Account Number: **EI - WC 408604210I 07/09/2000 000**
 Policy Number: **WC 408604210I**
 Insured Name: **E-SMART CORPORATION**

Auditor ID: **45**
 Auditor Name:
 Audit Date: **08/02/1999 Physical**
 Audit Period: **04/01/1998 04/01/1999**
 Policy Period: **04/01/1998 04/01/1999**

INSURED INFORMATION

Contact: SHEILA SMITH
Title: BOOKKEEPER
Company Name: E-SMART CORPORATION
Address: 3440 ELLICOTT CENTER DRIVE
 ELLICOTT CITY, MD 210410014
Phone: (410) 461-7997
Fax: (41) 046-5317
E-Mail: feecompany.com

Entities

| Number | Entity Name | Federal ID | Date Added | Date Deleted |
|--------|----------------------------------|------------|------------|--------------|
| 0001 | Johnnie's Discount Cleaners | | | |
| 0002 | Goldwing Corp / Mr. Nozzles Corp | | | |
| 0003 | EZ Self-Store Corp | | | |
| 0004 | A-1Transmission Corp | | | |
| 0005 | E-Smart Corporation | | | |

Locations

| Location: | | Added: | Deleted: |
|-----------|---|--------|----------|
| 0001 | All Locations Same as insured address. | | |
| 0002 | Columbia Car Wash Same as insured address. | | |
| 0003 | Golden Ring Car Wash Same as insured address. | | |
| 0004 | Highlandtown Car Wash Same as insured address. | | |
| 0005 | WCC Car Wash Same as insured address. | | |
| 0006 | Dundalk Car Wash Same as insured address. | | |
| 0007 | Emmorton Car Wash Same as insured address. | | |

Location of Records

| Sequence: | Territory: | Description: |
|-----------|------------|---------------------------------------|
| 1 | | Insured's Same as insured address. |

Description of Operations

There are several distinct businesses / named insureds for this policy. Johnnie's Discount Cleaners is a clothing cleaning plant with store/counter and office operations. EZ Self-Store is a self storage facility with office and maintenance personnel. Goldwing Corporation / Mr. Nozzles Corp. are various locations of car wash operations. E-Smart Corporation is the main or managing company with office and outside sales. A-1 Transmission is a separate garage repairing transmissions with shop and clerical departments.

Audit was set up by "Entities"(Named Insureds With Payroll Exposure) as requested by the insured for the WC audit for cost allocation for internal bookkeeping. Also, "Locations" listed are for cost allocation for GL audit purposes for the insured as requested also. The locations on the audit have reference names for the locations and their numbers (Loc. 1,2, etc.) do not coincide with policy location numbers. For the insured's information for cost allocation as requested only.

Account Number: **EI - WC 408604210I 07/09/2000 000**
 Policy Number: **WC 408604210I**
 Insured Name: **E-SMART CORPORATION**

Audit Date: **08/02/1999 Physical**
 Audit Period: **04/01/1998 04/01/1999**
 Policy Period: **04/01/1998 04/01/1999**

| Exposure Summary | | | | | | |
|---------------------|------------|--------------------------|----------|----------|----------|--|
| State | Class Code | Description | Exposure | From | To | |
| Entity: 0001 | | Location: 0001 | | | | |
| MD | 8017 | Store: Retail NOC | 202,738 | 04/01/98 | 04/01/99 | |
| MD | 2586 | Cleaning & Route Drivers | 440,948 | 04/01/98 | 04/01/99 | |
| MD | 8810 | Clerical Office | 84,326 | 04/01/98 | 04/01/99 | |
| Entity: 0002 | | Location: 0001 | | | | |
| MD | 8380 | Auto Service | 114,268 | 04/01/98 | 04/01/99 | |
| Entity: 0003 | | Location: 0001 | | | | |
| MD | 9015 | Bldg. Ops By Owner | 235,750 | 04/01/98 | 04/01/99 | |
| MD | 8810 | Clerical Office | 359,413 | 04/01/98 | 04/01/99 | |
| Entity: 0004 | | Location: 0001 | | | | |
| MD | 8380 | Auto Service | 159,981 | 04/01/98 | 04/01/99 | |
| MD | 8810 | Clerical Office | 96,160 | 04/01/98 | 04/01/99 | |
| Entity: 0005 | | Location: 0001 | | | | |
| MD | 8810 | Clerical Office | 649,171 | 04/01/98 | 04/01/99 | |
| MD | 0042 | Landscape Gardening & D | 0 | 04/01/98 | 04/01/99 | |
| MD | 8742 | Outside Sales | 119,600 | 04/01/98 | 04/01/99 | |

| Audit Reconciliation | | | | | | |
|----------------------|------------|-----------------------|----------------|-----------------|-----------------|--|
| State | Class Code | Description | Exposure | From | To | |
| Entity: 0001 | | Location: 0001 | | | | |
| MD | 8017 | Store: Retail NOC | 744,656 | 04/01/98 | 04/01/99 | |
| MD | 8017 | <Clerical Office> | -36,024 | 04/01/98 | 04/01/99 | |
| MD | 8017 | <Dept. 25> | -37,146 | 04/01/98 | 04/01/99 | |
| MD | 8017 | <Dept. 29> | -8,516 | 04/01/98 | 04/01/99 | |
| MD | 8017 | <Dept. 33> | -23,625 | 04/01/98 | 04/01/99 | |
| MD | 8017 | <Dept. 44> | -28,376 | 04/01/98 | 04/01/99 | |
| MD | 8017 | <Dept. 90> | -336,922 | 04/01/98 | 04/01/99 | |
| MD | 8017 | <Dept. 99> | -12,322 | 04/01/98 | 04/01/99 | |
| MD | 8017 | <Ben Upstart> | -48,302 | 04/01/98 | 04/01/99 | |
| MD | 8017 | <Premium Overtime> | -10,685 | 04/01/98 | 04/01/99 | |
| MD | 8017 | Total | 202,738 | 04/01/98 | 04/01/99 | |
| MD | 2586 | Dept. 25 | 37,146 | 04/01/98 | 04/01/99 | |
| MD | 2586 | Dept. 29 | 8,516 | 04/01/98 | 04/01/99 | |
| MD | 2586 | Dept. 33 | 23,625 | 04/01/98 | 04/01/99 | |
| MD | 2586 | Dept. 44 | 28,376 | 04/01/98 | 04/01/99 | |
| MD | 2586 | Dept. 90 | 336,922 | 04/01/98 | 04/01/99 | |
| MD | 2586 | Dept. 99 | 12,322 | 04/01/98 | 04/01/99 | |
| MD | 2586 | <Premium Overtime> | -5,959 | 04/01/98 | 04/01/99 | |
| MD | 2586 | Total | 440,948 | 04/01/98 | 04/01/99 | |
| MD | 8810 | Clerical Office | 36,024 | 04/01/98 | 04/01/99 | |
| MD | 8810 | Principals | 48,302 | 04/01/98 | 04/01/99 | |
| MD | 8810 | Total | 84,326 | 04/01/98 | 04/01/99 | |
| Entity: 0002 | | Location: 0001 | | | | |
| MD | 8380 | Auto Service | 114,268 | 04/01/98 | 04/01/99 | |
| MD | 8380 | Total | 114,268 | 04/01/98 | 04/01/99 | |
| Entity: 0003 | | Location: 0001 | | | | |
| MD | 9015 | Bldg. Ops By Owner | 612,650 | 04/01/98 | 04/01/99 | |

Account Number: **EI - WC 408604210I 07/09/2000 000**
 Policy Number: **WC 408604210I**
 Insured Name: **E-SMART CORPORATION**

Audit Date: **08/02/1999 Physical**
 Audit Period: **04/01/1998 04/01/1999**
 Policy Period: **04/01/1998 04/01/1999**

| | | | | |
|---------|--------------------|----------------|-----------------|-----------------|
| MD 9015 | <Clerical Office> | -292,436 | 04/01/98 | 04/01/99 |
| MD 9015 | <Raymond Burr> | -76,347 | 04/01/98 | 04/01/99 |
| MD 9015 | <Premium Overtime> | -8,117 | 04/01/98 | 04/01/99 |
| MD 9015 | Total | 235,750 | 04/01/98 | 04/01/99 |
| MD 8810 | Clerical Office | 292,436 | 04/01/98 | 04/01/99 |
| MD 8810 | Principals | 76,347 | 04/01/98 | 04/01/99 |
| MD 8810 | <Premium Overtime> | -9,370 | 04/01/98 | 04/01/99 |
| MD 8810 | Total | 359,413 | 04/01/98 | 04/01/99 |

Entity: 0004 Location: 0001

| | | | | |
|---------|--------------------|----------------|-----------------|-----------------|
| MD 8380 | Auto Service | 276,855 | 04/01/98 | 04/01/99 |
| MD 8380 | <Ruth Ann Hanner> | -24,202 | 04/01/98 | 04/01/99 |
| MD 8380 | <Carl Rosenberg> | -73,620 | 04/01/98 | 04/01/99 |
| MD 8380 | <Premium Overtime> | -19,052 | 04/01/98 | 04/01/99 |
| MD 8380 | Total | 159,981 | 04/01/98 | 04/01/99 |
| MD 8810 | Ruth Ann Hanner | 24,202 | 04/01/98 | 04/01/99 |
| MD 8810 | Principals | 73,620 | 04/01/98 | 04/01/99 |
| MD 8810 | <Premium Overtime> | -1,662 | 04/01/98 | 04/01/99 |
| MD 8810 | Total | 96,160 | 04/01/98 | 04/01/99 |

Entity: 0005 Location: 0001

| | | | | |
|---------|-------------------------|----------------|-----------------|-----------------|
| MD 8810 | Clerical Office | 984,547 | 04/01/98 | 04/01/99 |
| MD 8810 | Principals | 430,436 | 04/01/98 | 04/01/99 |
| MD 8810 | <Bill Gates III> | -281,323 | 04/01/98 | 04/01/99 |
| MD 8810 | <Craig B. Kissittinger> | -132,758 | 04/01/98 | 04/01/99 |
| MD 8810 | <General Grant> | -71,636 | 04/01/98 | 04/01/99 |
| MD 8810 | <Kenneth L. Hawkins> | -157,547 | 04/01/98 | 04/01/99 |
| MD 8810 | <Robert E. Lee> | -122,548 | 04/01/98 | 04/01/99 |
| MD 8810 | Total | 649,171 | 04/01/98 | 04/01/99 |
| MD 0042 | Landscape Gardening & D | 0 | 04/01/98 | 04/01/99 |
| MD 8742 | Principals | 119,600 | 04/01/98 | 04/01/99 |
| MD 8742 | Total | 119,600 | 04/01/98 | 04/01/99 |

Payroll Verification

Entity: 0001 Location: 0001

Verification Type: **Other**

| <u>Qtr Starting</u> | <u>Amount</u> | <u>Adjustment</u> | <u>Qtr Total</u> | <u>Description</u> |
|---------------------|------------------|----------------------------|------------------|---|
| 2nd Qtr 1998 | 0 | 0 | 0 | |
| 3rd Qtr 1998 | 209,356 | 0 | 209,356 | ADP Quarterly |
| 4th Qtr 1998 | 184,388 | 0 | 184,388 | |
| 1st Qtr 1999 | 194,014 | 0 | 194,014 | |
| 2nd Qtr 1999 | 156,898 | 0 | 156,898 | |
| Gross Total: | \$744,656 | Verification Total: | 744,656 | Deviation: \$0 |

Entity: 0002 Location: 0001

Verification Type: **Other**

| <u>Qtr Starting</u> | <u>Amount</u> | <u>Adjustment</u> | <u>Qtr Total</u> | <u>Description</u> |
|---------------------|------------------|----------------------------|------------------|---|
| 2nd Qtr 1998 | 0 | 0 | 0 | |
| 3rd Qtr 1998 | 29,748 | 0 | 29,748 | Federal 941's |
| 4th Qtr 1998 | 23,064 | 0 | 23,064 | |
| 1st Qtr 1999 | 26,665 | 0 | 26,665 | |
| 2nd Qtr 1999 | 34,791 | 0 | 34,791 | |
| Gross Total: | \$114,268 | Verification Total: | 114,268 | Deviation: \$0 |

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 Audit Period: **04/01/1998 04/01/1999**
 Policy Period: **04/01/1998 04/01/1999**

| Entity: 0003 | | Location: 0001 | | | |
|---------------------|------------------|----------------------------|------------------|--------------------|------------|
| Verification Type: | | Federal 941 | | | |
| <u>Qtr Starting</u> | <u>Amount</u> | <u>Adjustment</u> | <u>Qtr Total</u> | <u>Description</u> | |
| 2nd Qtr 1998 | 0 | 0 | 0 | | |
| 3rd Qtr 1998 | 184,742 | 0 | 184,742 | Federal 941's | |
| 4th Qtr 1998 | 147,675 | 0 | 147,675 | | |
| 1st Qtr 1999 | 156,728 | 0 | 156,728 | | |
| 2nd Qtr 1999 | 123,505 | 0 | 123,505 | | |
| Gross Total: | \$612,650 | Verification Total: | 612,650 | Deviation: | \$0 |

| Entity: 0004 | | Location: 0001 | | | |
|---------------------|------------------|----------------------------|------------------|--------------------|------------|
| Verification Type: | | Federal 941 | | | |
| <u>Qtr Starting</u> | <u>Amount</u> | <u>Adjustment</u> | <u>Qtr Total</u> | <u>Description</u> | |
| 2nd Qtr 1998 | 0 | 0 | 0 | | |
| 3rd Qtr 1998 | 67,006 | 0 | 67,006 | Federal 941's | |
| 4th Qtr 1998 | 68,370 | 0 | 68,370 | | |
| 1st Qtr 1999 | 80,692 | 0 | 80,692 | | |
| 2nd Qtr 1999 | 60,787 | 0 | 60,787 | | |
| Gross Total: | \$276,855 | Verification Total: | 276,855 | Deviation: | \$0 |

| Entity: 0005 | | Location: 0001 | | | |
|---------------------|------------------|----------------------------|------------------|--------------------|------------|
| Verification Type: | | Federal 941 | | | |
| <u>Qtr Starting</u> | <u>Amount</u> | <u>Adjustment</u> | <u>Qtr Total</u> | <u>Description</u> | |
| 2nd Qtr 1998 | 0 | 0 | 0 | | |
| 3rd Qtr 1998 | 215,750 | 0 | 215,750 | | |
| 4th Qtr 1998 | 254,098 | 0 | 254,098 | | |
| 1st Qtr 1999 | 256,425 | 0 | 256,425 | | |
| 2nd Qtr 1999 | 258,274 | 0 | 258,274 | | |
| Gross Total: | \$984,547 | Verification Total: | 984,547 | Deviation: | \$0 |

Class Codes

| <u>State</u> | <u>Class Code</u> | <u>Seq</u> | <u>Balance</u> | <u>Description</u> |
|---------------------|-------------------|-----------------------|----------------|--------------------------|
| Entity: 0001 | | Location: 0001 | | |
| MD | 2586 | 30 | | Cleaning & Route Drivers |
| MD | 8017 | 10 | Balance | Store: Retail NOC |
| MD | 8810 | 20 | | Clerical Office |
| Entity: 0002 | | Location: 0001 | | |
| MD | 8380 | 40 | Balance | Auto Service |
| Entity: 0003 | | Location: 0001 | | |
| MD | 8810 | 60 | | Clerical Office |
| MD | 9015 | 50 | Balance | Bldg. Ops By Owner |
| Entity: 0004 | | Location: 0001 | | |
| MD | 8380 | 70 | Balance | Auto Service |
| MD | 8810 | 80 | | Clerical Office |
| Entity: 0005 | | Location: 0001 | | |
| MD | 0042 | 110 | | Landscape Gardening & D |
| MD | 8742 | 100 | | Outside Sales |
| MD | 8810 | 90 | Balance | Clerical Office |

Principals

| <u>State</u> | <u>Class Code</u> | <u>Name</u> | <u>Title</u> | <u>Dates</u> | |
|---------------------|-------------------|----------------------------------|--------------|-------------------|---------------------|
| Entity: 0001 | | Location: 0001 | | | |
| MD | EXCL | All Others Inactive | | 04/01/98 04/01/99 | 1.000 |
| | Min: | 0 | Max: 0 | Payroll: 0 | Amount Incl: 0 |
| | | All Others Inactive this Company | | | |
| | 8810 | Ben Upstart | VP | 04/01/98 04/01/99 | 1.000 |
| | Min: | 15,600 | Max: 119,600 | Payroll: 48,302 | Amount Incl: 48,302 |
| | | Admin | | | |

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 Audit Period: **04/01/1998 04/01/1999**
 Policy Period: **04/01/1998 04/01/1999**

| | | | | | | | | | |
|----------------------------------|------|-----------------------|------|-------------------|----------|----------|--------------|---------|--|
| Entity: 0002 | | Location: 0001 | | | | | | | |
| MD | EXCL | All Paid Siena Corp. | | | | 04/01/98 | 04/01/99 | 1.000 | |
| | Min: | 0 | Max: | 0 | Payroll: | 0 | Amount Incl: | 0 | |
| None Active this Company | | | | | | | | | |
| Entity: 0003 | | Location: 0001 | | | | | | | |
| MD | EXCL | All Others Inactive | | | | 04/01/98 | 04/01/99 | 1.000 | |
| | Min: | 0 | Max: | 0 | Payroll: | 0 | Amount Incl: | 0 | |
| All Others Inactive thsi Company | | | | | | | | | |
| | 8810 | Raymond Burr | | VP | | 04/01/98 | 04/01/99 | 1.000 | |
| | Min: | 15,600 | Max: | 119,600 | Payroll: | 76,347 | Amount Incl: | 76,347 | |
| Admin | | | | | | | | | |
| Entity: 0004 | | Location: 0001 | | | | | | | |
| MD | 8810 | Carl Rosenberg | | President | | 04/01/98 | 04/01/99 | 1.000 | |
| | Min: | 15,600 | Max: | 119,600 | Payroll: | 73,620 | Amount Incl: | 73,620 | |
| Management | | | | | | | | | |
| Entity: 0005 | | Location: 0001 | | | | | | | |
| MD | 8810 | Bill Gates III | | COB | | 04/01/98 | 04/01/99 | 1.000 | |
| | Min: | 15,600 | Max: | 119,600 | Payroll: | 281,323 | Amount Incl: | 119,600 | |
| Admin | | | | | | | | | |
| | 8742 | Craig B. Kissittinger | | VP | | 04/01/98 | 04/01/99 | 1.000 | |
| | Min: | 15,600 | Max: | 119,600 | Payroll: | 132,758 | Amount Incl: | 119,600 | |
| Outside Sales | | | | | | | | | |
| | 8810 | General Grant | | VP - Operations | | 04/01/98 | 04/01/99 | 1.000 | |
| | Min: | 15,600 | Max: | 119,600 | Payroll: | 71,636 | Amount Incl: | 71,636 | |
| Admin | | | | | | | | | |
| | 8810 | Kenneth L. Hawkins | | President | | 04/01/98 | 04/01/99 | 1.000 | |
| | Min: | 15,600 | Max: | 119,600 | Payroll: | 157,547 | Amount Incl: | 119,600 | |
| Admin | | | | | | | | | |
| | 8810 | Robert E. Lee | | Comptroller - S/T | | 04/01/98 | 04/01/99 | 1.000 | |
| | Min: | 15,600 | Max: | 119,600 | Payroll: | 122,548 | Amount Incl: | 119,600 | |
| Admin | | | | | | | | | |

Audit Worksheet

| State | Class Code | Name | Dept | Empl. Dates | Total |
|----------------------------|-------------|------------------|-------------|-------------|----------------|
| Entity: | 0001 | Location: | 0001 | | |
| Gross Payroll | | | | | |
| MD | | Gross Payroll | | | 744,656 |
| 04/01/1998: | 209,356 | 07/01/1998: | 184,388 | 10/01/1998: | 194,014 |
| | | | | 01/01/1999: | 156,898 |
| | | | | Adjustment: | 0 |
| Total Gross Payroll | | | | | 744,656 |
| Classified | | | | | |
| MD | 2586 | Dept. 29 | | | 8,516 |
| 04/01/1998: | 7,516 | 07/01/1998: | 1,000 | 10/01/1998: | 0 |
| | | | | 01/01/1999: | 0 |
| | | | | Adjustment: | 0 |
| MD | 2586 | Dept. 99 | | | 12,322 |
| 04/01/1998: | 3,345 | 07/01/1998: | 2,795 | 10/01/1998: | 3,461 |
| | | | | 01/01/1999: | 2,721 |
| | | | | Adjustment: | 0 |
| MD | 2586 | Dept. 33 | | | 23,625 |
| 04/01/1998: | 5,473 | 07/01/1998: | 6,343 | 10/01/1998: | 6,891 |
| | | | | 01/01/1999: | 4,918 |
| | | | | Adjustment: | 0 |
| MD | 2586 | Dept. 44 | | | 28,376 |
| 04/01/1998: | 6,557 | 07/01/1998: | 7,671 | 10/01/1998: | 8,134 |
| | | | | 01/01/1999: | 6,014 |

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| | | | | | | | | |
|-------------------------|-------------------|------------------|-------------|-------------|----------|-------------|-------------------------------|----------------|
| | | | | | | | Adjustment: | 0 |
| MD 8810 | Clerical Office | | | | | | | 36,024 |
| 04/01/1998: | 21,475 | 07/01/1998: | 18,500 | 10/01/1998: | 25,559 | 01/01/1999: | 18,792 | |
| | | | | | | | Adjustment: | -48,302 |
| MD 2586 | Dept. 25 | | | | | | | 37,146 |
| 04/01/1998: | 10,127 | 07/01/1998: | 8,727 | 10/01/1998: | 10,226 | 01/01/1999: | 8,066 | |
| | | | | | | | Adjustment: | 0 |
| MD 2586 | Dept. 90 | | | | | | | 336,922 |
| 04/01/1998: | 98,003 | 07/01/1998: | 82,434 | 10/01/1998: | 86,983 | 01/01/1999: | 69,502 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Classified | 482,931 |
| Principals | | | | | | | | |
| MD 8810 | Ben Upstart | | | | 04/01/98 | 04/01/99 | | 48,302 |
| | | Duties: Admin | | | | | | |
| 04/01/1998: | 12,000 | 07/01/1998: | 12,000 | 10/01/1998: | 13,225 | 01/01/1999: | 11,077 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Principals | 48,302 |
| Premium Overtime | | | | | | | | |
| MD 2586 | Dept. 90 | | | | | | | 5,959 |
| | | Duties: Overtime | | | | | | |
| 04/01/1998: | 1,330 | 07/01/1998: | 889 | 10/01/1998: | 2,435 | 01/01/1999: | 1,305 | |
| | | | | | | | Adjustment: | 0 |
| MD 8017 | Store: Retail NOC | | | | | | | 10,685 |
| 04/01/1998: | 2,055 | 07/01/1998: | 2,074 | 10/01/1998: | 3,648 | 01/01/1999: | 2,908 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Premium Overtime | 16,644 |
| Entity: | 0002 | Location: | 0001 | | | | | |
| Gross Payroll | | | | | | | | |
| MD | Gross Payroll | | | | | | | 114,268 |
| 04/01/1998: | 29,748 | 07/01/1998: | 23,064 | 10/01/1998: | 26,665 | 01/01/1999: | 34,791 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Gross Payroll | 114,268 |
| Entity: | 0003 | Location: | 0001 | | | | | |
| Gross Payroll | | | | | | | | |
| MD | Gross Payroll | | | | | | | 612,650 |
| 04/01/1998: | 184,742 | 07/01/1998: | 147,675 | 10/01/1998: | 156,728 | 01/01/1999: | 123,505 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Gross Payroll | 612,650 |
| Classified | | | | | | | | |
| MD 8810 | Clerical Office | | | | | | | 292,436 |
| 04/01/1998: | 114,975 | 07/01/1998: | 95,271 | 10/01/1998: | 91,614 | 01/01/1999: | 66,923 | |
| | | | | | | | Adjustment: | -76,347 |
| | | | | | | | Total Classified | 292,436 |
| Principals | | | | | | | | |
| MD 8810 | Raymond Burr | | | | 04/01/98 | 04/01/99 | | 76,347 |
| | | Duties: Admin | | | | | | |
| 04/01/1998: | 22,885 | 07/01/1998: | 18,462 | 10/01/1998: | 18,846 | 01/01/1999: | 16,154 | |

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 Policy Period: **04/01/1998 04/01/1999**

| | | | | | | | | |
|-------------------------|---------|-----------------------|---------------|-------------|----------|-------------|-------------------------------|----------------|
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Principals | 76,347 |
| Premium Overtime | | | | | | | | |
| MD | 9015 | Bldg. Ops By Owner | | | | | | 8,117 |
| Duties: Overtime | | | | | | | | |
| 04/01/1998: | 2,082 | 07/01/1998: | 736 | 10/01/1998: | 2,386 | 01/01/1999: | 2,913 | |
| | | | | | | | Adjustment: | 0 |
| MD | 8810 | Clerical Office | | | | | | 9,370 |
| Duties: Overtime | | | | | | | | |
| 04/01/1998: | 1,851 | 07/01/1998: | 1,046 | 10/01/1998: | 3,151 | 01/01/1999: | 3,322 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Premium Overtime | 17,487 |
| Entity: 0004 | | Location: 0001 | | | | | | |
| Gross Payroll | | | | | | | | |
| MD | | | Gross Payroll | | | | | 276,855 |
| 04/01/1998: | 67,006 | 07/01/1998: | 68,370 | 10/01/1998: | 80,692 | 01/01/1999: | 60,787 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Gross Payroll | 276,855 |
| Classified | | | | | | | | |
| MD | 8810 | Ruth Ann Hanner | | 04/01/98 | 04/01/99 | | | 24,202 |
| Duties: Clerical | | | | | | | | |
| 04/01/1998: | 5,780 | 07/01/1998: | 5,853 | 10/01/1998: | 6,326 | 01/01/1999: | 6,243 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Classified | 24,202 |
| Principals | | | | | | | | |
| MD | 8810 | Carl Rosenberg | | 04/01/98 | 04/01/99 | | | 73,620 |
| Duties: Management | | | | | | | | |
| 04/01/1998: | 17,550 | 07/01/1998: | 17,550 | 10/01/1998: | 18,900 | 01/01/1999: | 19,620 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Principals | 73,620 |
| Premium Overtime | | | | | | | | |
| MD | 8810 | Ruth Ann Hanner | | | | | | 1,662 |
| 04/01/1998: | 593 | 07/01/1998: | 653 | 10/01/1998: | 416 | 01/01/1999: | 0 | |
| | | | | | | | Adjustment: | 0 |
| MD | 8380 | Auto Service | | | | | | 19,052 |
| Duties: Overtime | | | | | | | | |
| 04/01/1998: | 5,258 | 07/01/1998: | 5,559 | 10/01/1998: | 8,235 | 01/01/1999: | 0 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Premium Overtime | 20,714 |
| Entity: 0005 | | Location: 0001 | | | | | | |
| Gross Payroll | | | | | | | | |
| MD | | | Gross Payroll | | | | | 984,547 |
| 04/01/1998: | 215,750 | 07/01/1998: | 254,098 | 10/01/1998: | 256,425 | 01/01/1999: | 258,274 | |
| | | | | | | | Adjustment: | 0 |
| | | | | | | | Total Gross Payroll | 984,547 |
| Principals | | | | | | | | |

Account Number: **EI - WC 408604210I 07/09/2000 000**
 Policy Number: **WC 408604210I**
 Insured Name: **E-SMART CORPORATION**

Audit Date: **08/02/1999 Physical**
 Audit Period: **04/01/1998 04/01/1999**
 Policy Period: **04/01/1998 04/01/1999**

| | | | | | | | |
|-------------------------|-----------------------|-------------|--------|-------------|----------|-------------|----------------|
| MD 8810 | General Grant | | | | 04/01/98 | 04/01/99 | 71,636 |
| | Duties: Admin | | | | | | |
| 04/01/1998: | 17,278 | 07/01/1998: | 20,157 | 10/01/1998: | 17,278 | 01/01/1999: | 16,923 |
| | | | | | | Adjustment: | 0 |
| MD 8810 | Robert E. Lee | | | | 04/01/98 | 04/01/99 | 122,548 |
| | Duties: Admin | | | | | | |
| 04/01/1998: | 27,070 | 07/01/1998: | 31,582 | 10/01/1998: | 37,646 | 01/01/1999: | 26,250 |
| | | | | | | Adjustment: | 0 |
| MD 8742 | Craig B. Kissittinger | | | | 04/01/98 | 04/01/99 | 132,758 |
| | Duties: Outside Sales | | | | | | |
| 04/01/1998: | 27,070 | 07/01/1998: | 31,582 | 10/01/1998: | 36,125 | 01/01/1999: | 37,981 |
| | | | | | | Adjustment: | 0 |
| MD 8810 | Kenneth L. Hawkins | | | | 04/01/98 | 04/01/99 | 157,547 |
| | Duties: Admin | | | | | | |
| 04/01/1998: | 32,247 | 07/01/1998: | 37,622 | 10/01/1998: | 41,524 | 01/01/1999: | 46,154 |
| | | | | | | Adjustment: | 0 |
| MD 8810 | Bill Gates III | | | | 04/01/98 | 04/01/99 | 281,323 |
| | Duties: Admin | | | | | | |
| 04/01/1998: | 63,999 | 07/01/1998: | 63,999 | 10/01/1998: | 76,825 | 01/01/1999: | 76,500 |
| | | | | | | Adjustment: | 0 |
| Total Principals | | | | | | | 765,812 |

Records Requested/Audited

Entity: 0001 Location: 0001

Condition of Records: Good
Cooperation: Cooperative

| <u>R</u> <u>A</u> <u>Description</u> | <u>R</u> <u>A</u> <u>Description</u> |
|---|---|
| <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Social Security (Fed 941's) | <input type="checkbox"/> <input type="checkbox"/> Sales Journal |
| <input type="checkbox"/> <input type="checkbox"/> Sales Tax Reports | <input type="checkbox"/> <input type="checkbox"/> Cash Disbursements |
| <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> State Unemployment Reports | <input type="checkbox"/> <input type="checkbox"/> Checkbook |
| <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Individual Payroll Cards | <input type="checkbox"/> <input type="checkbox"/> Job Costs Sheet |
| <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Payroll Book (Listings) | <input type="checkbox"/> <input type="checkbox"/> Receipts Journal |
| <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> General Ledger | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Summaries |
| <input type="checkbox"/> <input type="checkbox"/> Certificates of Insurance | <input type="checkbox"/> <input type="checkbox"/> Financial Statement |

Account Number: **EI - WC 408604210I 07/09/2000 000**
Policy Number: **WC 408604210I**
Insured Name: **E-SMART CORPORATION**

Audit Date: **08/02/1999 Physical**
Audit Period: **04/01/1998 04/01/1999**
Policy Period: **04/01/1998 04/01/1999**

Notice to Underwriter

Insured: **E-SMART CORPORATION**
Policy Number: **WC 408604210I**
Policy Period: **04/01/1998 - 04/01/1999**

Entity Loc

| | | |
|------|------|---|
| 0001 | 0001 | Exposure Variance (20% or more) Combined "entities" payroll exposure for code #8810 exceeds a 20% increase due to administrative staff and pay increases. All other classifications within 20%. |
|------|------|---|