



# Audit Summary

**Max Risk Tolerance**  
**\$166,666**

## Business Personal Property & Inventory Limits

#3

### Issue

- We identified that your Business Personal Property/Property of Others limit is underinsured by at least \$371,068. Additionally, the locations are not blanketed which could lessen your underinsured exposure. Your Seasonal Increase coverage is limited at 10%. The valuation for property damage is Replacement Cost which may pay significantly less than 'Market Value', 'Agreed Value' or 'Legally Liable' leading to additional out-of-pocket expenses at the time of loss.

**Exposure Reduction**  
**\$371,068+**

## Solution

- We recommend having ACO immediately adjust your Business Personal Property (BPP) limits to appropriate values. We would also like to add a Blanket to the BPP and include Business Income. Adjusting the Replacement Cost valuation to Agreed Value to sync with your future contracts. It would also be worthwhile to explore higher Seasonal Increase coverage at 25% or greater.

## Contract Agreements / Risk Transfer

#4

### Issue

- We have acknowledged that there are no contracts currently used for **customers** to establish values on their property. You are also not utilizing any standard contract with your **subcontractors**. In both cases, the lack of a contract to define property values and properly transfer risk is a significant financial exposure.

**Exposure Reduction**  
**\$250,000+**

## Solution

- We recommend and can help implement a world-class subcontractor agreement and assist with implementing a customer work order to ensure you are protected from out-of-pocket costs.