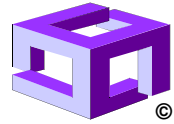


Professional Field Services for the Casualty and Property Insurance Industry Since 1979

Insured	MASON'S MACHINE METHODS, INC.	Job Number:	301234
Location	RIPPLING RIVER WI 53999	Auditor:	PAIGE TURNER - 4877
Insurance Co.	GALAXY ASSURANCE GROUP	Date of Audit:	29-Aug-2003
Policy No. (s)	6844922-WC 87-34588-GL	Original Audit:	Yes - First Report
Policy Period	From: 01-Aug-2002 To: 01-Aug-2003	ReAudit Report:	No
Federal "ID" Number:	39-1340474	No. Calls Made:	One (1)



Special Audit Comments

*** Confidential Information for Insurance Company Only ***
***** NOT FOR RELEASE TO INSURED OR PRODUCING AGENCY *****

Route To: Manager, Premium Audit Department

Note: Action may be required by underwriter PRIOR to billing:

- 1.) **PRINCIPALS' DUTY DISTRIBUTION**
- 2.) **ADDITIONAL AUDIT TIME**
- 3.)
- 4.)
- 5.)

Audit Time Statement

1.) Time: Scheduling & Planning	5 Minutes
2.) Transit Time (Flat - If Applicable)	10 Minutes
3.) Time: Waiting for Audit to Begin	0 Minutes
4.) Time: Obtaining Audit Data	60 Minutes
5.) Time: Required for Summarizing	40 Minutes
6.) Time: Service Delays By Insured	0 Minutes
7.) Time Charged	1.9 Hours

COMMENTS [CONFIDENTIAL - These are NOT for release to Insured or Agency]

1.) **Allocation of OFFICER or PARTNER Work Duties by TIME:**

Title	Name	Gross Earnings	Amount Included	Percentage of TIME Working As:				Code Assigned
				Direct Labor	Direct Supvn.	Outside Sales	Working In Office	
President	DOUGLAS MASON	55,000	50,492	0%	0%	0%	100%	8810
Vice-President	LUCY LOVELACE	16,124	16,124	0%	0%	0%	100%	8810
	Total Earnings	71,124	66,616					

2.) **THE ADDITIONAL AUDIT TIME BEING BILLED DUE TO THE ADDITIONAL TIME NEEDED TO OBTAIN AUDIT INFORMATION, AS INSURED DOES NOT MAINTAIN THEIR PAYROLL RECORDS IN SUMMARY FORM. THIS REQUIRED WORKING THROUGH ALL INDIVIDUAL PAYROLL RECORDS AND SUMMARIZING FOR THIS AUDIT PERIOD.**