Encumbrance Review — SAMPLE

Prepared for: [Your Company] · **Project:** [Sample Project] · **Reviewed:** 40 subcontractor certificates · pay-app / waiver records where provided

> **Illustrative sample.** Your review is built from your own certificates and waiver records. This is a qualitative teardown of what your paper does and does not establish — not a coverage opinion, not a legal opinion, and not a guarantee. See the important limitations at the end.

Two kinds of paper protect a project: insurance certificates and lien waivers. Both are only as good as what's actually on file. This review reads yours and flags the gaps — where a certificate claims coverage nothing backs, and where a payment went out without the release that protects you.

A. Insurance — what your certificates do and don't establish

Qualitative findings. We report what the documents on file show; confirming actual in-force coverage requires the underlying policy, which a certificate is not.

Finding	Certificates	What it means
Expired or lapsing on active work	11 of 40	The certificate's own dates show coverage ended or ends within 30 days. A certificate is a snapshot; these snapshots are stale.
Additional-insured claimed, no endorsement on file	5 of 40	The certificate names you as additional insured, but no backing endorsement is in the file to support it. Per *Suffolk Construction v. Illinois Union* (2011) and *United Stationers v. Zurich* (2008), the certificate alone does not make you an additional insured.
Limit below your stated floor	7 of 40	The certificate's limits are lower than the threshold you told us to check against.
Endorsement scope / edition worth review	4 of 40	Where an endorsement is present, its form/edition (e.g. CG 20 10 ongoing-ops vs CG 20 37 completed-ops) may not match the operation type — a coverage question for you or your broker to confirm.

We do not print a single “$X uninsured” number. A certificate does not carry the contract value at risk, and it is not the policy — so a dollar “uninsured exposure” figure off a certificate folder alone would be manufactured, not measured. What we give you is the **list of specific documents that don’t establish what you may be relying on them to establish** — the exact items to take to your broker or counsel.

B. Lien — waiver gaps on real payments

Where you provided pay-app and waiver records, we report dollar amounts that sit on actual documents — not an estimate.

Finding	Subs	Amount on the documents
Payment released with no lien waiver on file	4	**$1,540,000** (sum of the specific pay-app amounts)
Conditional waiver on file where an unconditional release was due	3	**$820,000**
Final unconditional release never collected after final payment	2	**$610,000**

Total payments released without the protecting waiver on file: $2,970,000 — this figure is the sum of real amounts on real pay-app documents you provided, not a projection. Each line ties to a specific payment and a specific missing or wrong document.

Where pay-app records were not provided, this section is limited to what we could see. Lien exposure we cannot tie to a document is not shown — we don’t estimate it.

What this review is — and is NOT (read this)

- **A document review, not a coverage opinion.** We report what your certificates and waivers say and don’t say. We do not opine on whether you are, in fact, covered — that requires the underlying policies and, for coverage questions, a licensed broker or coverage counsel.
- **Not legal advice, not insurance advice.** Nothing here is a determination of your legal rights or your coverage. Confirm every flagged item with your broker and/or counsel before acting or relying on it.
- **A floor on what we could see.** Only documents you provided were reviewed. Anything not provided is not reflected — and is not “clear.”
- **Extraction can err.** Fields are read from scanned certificates; verify any figure against the source document before relying on it. Flagged items are prompts for your review, not conclusions.
- **No warranty; no reliance.** This sample and any report are provided without warranty. [Your Company] should not rely on it as a substitute for its own review with qualified professionals.

Close the gap

ZeroLien tracks your certificates, endorsements, and lien waivers going forward — flagging a lapse, a missing endorsement, or a payment about to go out without its release, before it becomes a claim or a lien. **Reply to the email that delivered this report to talk it through.**