

Industrial Loss Consulting, Inc.

1322 Broad Street
New Castle, Indiana 47362

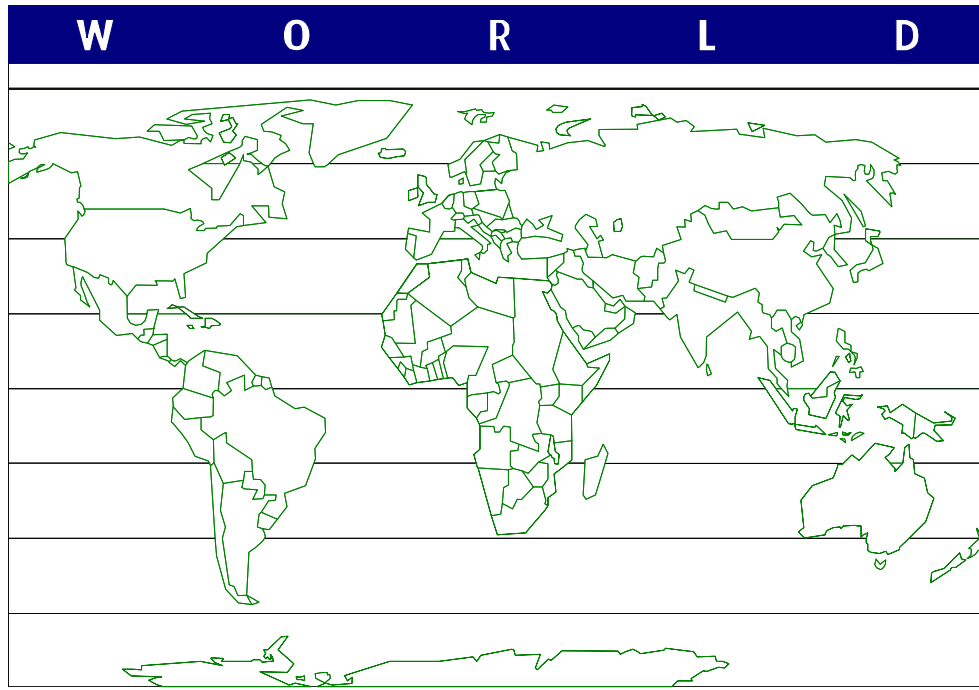


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Web page: www.industrialloss.com



Industrial Loss Consulting, Inc. is available to serve your needs in the area of industrial losses, both for cause and origin, as well as cost evaluation. We have extensive experience in the following areas:

- ◆ General Production Equipment
- ◆ Machine Tool & Machine Shop Equipment
- ◆ Boilers & Heat Exchangers
- ◆ Turbines & Compressors
- ◆ Mining & Sawmill Equipment
- ◆ Heavy Off Road Equipment
- ◆ Computers & Communications Equipment

Company Services

Our company can serve you from the production equipment to the computer stations that track the product through the plant. We can further serve you in the office areas when electronics and communications equipment is involved. Whether a fire, flood, structural collapse, or single unit breakdown, we can provide all aspects of repair, replacement, or fabrication costs, as well as, time line work to evaluate downtime. We have also served extensively as “clerk of the works” for small to medium jobs. As with all jobs concerning the repair aspect, we will be able to locate qualified, certified repair shops to provide estimates to substantiate and validate our analysis work.

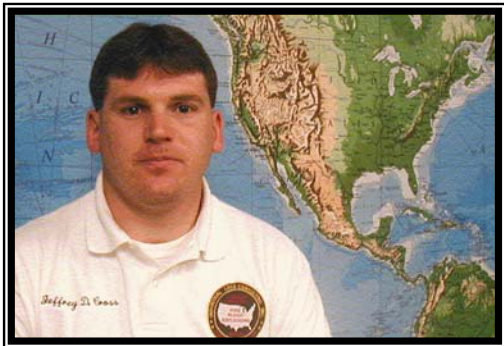
The personnel of Industrial Loss Consulting, Inc. has been handling equipment losses for the insurance field for 26 years, and has worked losses up to \$56 million for a single claim. Within the United States, we have worked in 42 states. We have also worked in Puerto Rico, Mexico, Europe, Africa, India, Sri Lanka, Canada, Cuba, Guyana and the Virgin Islands. We are well versed in the needs of adjusters involving anything from resolving a single machine claim to handling business interruption problems that involve dealing with contractors, as well as clients.

Midwest Operations

New Castle, Indiana



- **Eugene B. Keith**
CEO / Senior Machinery Consultant
Eugene has 26 years experience in the following fields of consulting: Machine tool equipment, hydraulics, welding, mining, furnaces, turbines, compressors, mobile equipment and CNC equipment. Eugene also has extensive court and deposition experience. He is a Certified Advanced Diver with special Certifications in wreck diving along with search and recovery and is an experienced diver with dives beyond 130'.



- **Jeffrey D. Cross**
President / Senior Machinery Consultant
Jeff has 21 years experience in the fields of consulting, repair, maintenance, machine tool equipment, hydraulics, boilers, water treatment plants, furnaces, generators, turbines, compressors, mobile equipment refrigeration equipment, and CNC equipment. He also is certified as an advanced diver.



- **Gary Finley**
Machinery Consultant
Gary has 26 years experience from work in the U.S. Navy, repair firms and consulting experience. His areas of expertise include all types of compressors, metal working equipment, propulsion equipment, pumping equipment, generators, refrigeration equipment and heat exchangers.



- **Wayne Taylor**
Machinery Consultant
Wayne has over 18 years experience in servicing and selling industrial equipment including: MRO Supplies, Machine Tools, Compressor Equipment, and Machine Tool Repairs.



- **Charles Blackwell Jr.**
Machinery Consultant

Charles has 15 years experience in various types of manufacturing equipment fields. Charles also has experience as a Safety Coordinator as well as over 10 years experience in the construction and architectural fields as a project manager.

Our assignments usually include one or all of the following items:

- ◆ Repair Estimates
- ◆ Replacement (Used) Estimates
- ◆ Replacement (New) Estimates
- ◆ Location of repair shops to build from scratch
- ◆ Location of sub-contractors to perform manual labor
- ◆ Product Liability Analysis

With the additional personnel, we look forward to serving your needs more efficiently and in a timely manner in the future. If your office would like additional information, or a face to face meeting with our staff, please call us and we will assist you in any way possible.

Sincerely,
The Staff and Personnel of Industrial Loss Consulting, Inc.

Underwater Survey & Inspection

As a machinery consulting company, we have always believed our credentials should speak for themselves. Now, by combining our experience with the dive equipment listed below, we are able to offer underwater machinery evaluations as well as on the surface whether the loss is a barge, a dredge, pipeline equipment or equipment fallen overboard. With our state of the art equipment and our staff of qualified divers, we can stay in complete contact while photographing and recording all the pertinent information at the underwater loss site. By collecting this information underwater before the loss is disturbed, we will be able to provide you, our client, with more accurate detailed information than if we have to wait until the loss item is returned to the surface. Also, if any damages occur from recovery of these items, these damages can be identified as not being part of the original loss.

Dive Equipment:

4 – Sets of Doubles (two tank setups) to provide two divers the stay time at a given depth to perform the work assigned.
20 – Single tanks for use in single applications by the divers in less demanding situations.
3 – Technical buoyancy control devices to provide enough buoyancy for the divers to perform their work; these have double bladders to provide redundancy for safety reasons.

Photography Equipment:

3 – High quality underwater 35MM still photo cameras.
1 – Underwater digital video camera.

Communication Equipment:

2 – Full face Aga masks with built in diver-to-diver and diver to surface capabilities.
1 – Surface unit with diver to surface and surface to diver capabilities.

Detection Equipment:

2 – Underwater metal detectors can be used to search for items in low visibility conditions or items that could have sank in a murky bottom.

Floatation Equipment:

With our floatation devices we can return items in excess of 1,000 lbs. to the surface for examination.

Personnel Protection Equipment:

Dry Suits with argon supply bottles for thermo protection as well as protection in contaminated (polluted) waters. This enables our divers to work in a broader range of environments.

Propulsion Units:

2 – Underwater propulsion devices with the capability of 3MPH with an hour run time per battery. This provides our divers with a means of covering a large area to pin point a loss site or to make a quick evaluation of a large site before starting to evaluate the loss.

For Extended Deployment:

2 – Portable air compressors with an external generator to provide compressed breathing air. Along with the compressors, we have the tanks and the hook ups to blend any type gas mix required in accomplishing the work assigned.

Area of Specialty:

All of our divers are certified underwater photographers still and video. Also, our divers are certified in search and recovery and have aided the local community by supplementing the county search and recovery teams.

Meet Our Divers:

Eugene B. Keith - CEO, Senior Machinery Consultant

Jeffrey D. Cross - President, Senior Machinery Consultant

Richard L. Herbert – Dive Consultant – Certified Trimix Diver to 300' as well as a certified Instructor with over 600 dives. Experienced diver with many dives beyond 150' as well as the expertise to plan the dive as well as the return to the surface using decompression methods. Also is a certified Gas Blender.

ILC Appraisal Services, Inc.

This is a company formed to provide a service to the insurance industry. We offer on-site inspections of equipment for cost evaluation purposes. In this day and age when equipment becomes more and more expensive and the exposure to large business interruption costs are rising, it has become very important to not only understand the value of the equipment you are covering but also be aware of the condition the customer keeps the equipment in and what special risks unique equipment expose you to.

This is a day and age when obsolescence and modernization are occurring at a rapid pace. It is hard to keep up with all of the types of equipment a customer may have or problems that may occur when the customer has to replace obsolete equipment.

With our years of experience as machinery technicians and with the loss industry, we not only understand the equipment and problems the customer faces when he suffers a loss, but, we also understand what effects that will have on the other end when a loss occurs.

Our appraisal service offers three different levels of appraisal to meet your needs. Each level of appraisal progressively offers you more detailed levels of information. You can choose what type of appraisal you need based on the level of exposure the customer places on you.

- I. **Full On-Site Inspection** of major equipment and tooling to be included in the policy. This would also include materials handling equipment. This type of evaluation would be the most accurate and could also include current conditions of major equipment as well as the projected costs to correct existing deficiencies. This would then serve as a record if or when a loss occurs and any one of the major items were involved.
- II. **Partial Inspection to Include Only Major Equipment**, tooling and mobile equipment. This would help get an accurate appraisal of the biggest dollar items in the structure and allow a rough estimate of the remaining items to keep the total policy value within an acceptable tolerance.
- III. **Asset Listing Appraisal** could be done for medium and smaller facilities or even larger ones where they have a good up-to-date listing of all of the equipment. This would save the cost of the on-site inspection and still give you an excellent appraisal of the facility to set up a properly valued policy. The only things this would eliminate is our ability to determine the current condition of the equipment and list minor equipment.

Pricing on each project for hourly rates will be as follows:

Machinery Consultant	\$145.00/Hour
Research Assistant	\$ 90.00/Hour

Once we have had sufficient time on the project, we will provide a consulting estimate for the total project for budgetary purposes. At that point, you can refine what work you want done and at what level of detail.

Based on our parent companies experience with insurance losses, we feel this service will give you many benefits:

- Accurate assessment of equipment in the facility;
- Condition of equipment and plant maintenance overview;
- Exposure to specialty equipment that could affect business interruption costs;
- Good detail of property values for use if or when loss situations occur.

If you would like to receive additional information or have questions concerning this service, please contact us at **1-765-521-0648**.

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2006 Company Rate Structure

The following rate structure will go into effect on September 1, 2006, for all work performed on or after that date.

Stateside

* Machinery Consultant	\$175.00 / Hour
* Consultant Travel Rate	\$87.50 / Hour
* Clerk of Works/Site Manager	\$125.00 / Hour
* Research Assistant	\$90.00 / Hour
* Per Diem	\$50.00 / Day
* Mileage allowance	.50 / Mile
* Expenses (I.E. Rental Cars, Hotel, Airfare)	Cost

Online Small Claims Service

* Research Rate	\$90.00 / Hour
* Administrative	\$55.00 / Hour

Administrative

* Data Entry / Secretarial	\$55.00 / Hour
* Subcontract Labor for outside specialty services	Cost
* Telephone & Fax Charges	\$3.50 / Each
* B/W Copying Expense	.10 / Copy
* Color Copying Expense	.69 / Copy
* Shipping Expense	Cost

Special Projects

* Edited Video Tape of Loss Scene	\$400.00
* Additional copies of Video Tape	\$20.00

Rate Structure – Continued

International

- * Consulting & Research \$250.00 / Hour
- * Per Diem \$100.00 / Day
- * Expenses (I.E. Rental Cars, Hotel, Airfare) Cost

High Risk Areas International

- * Consulting & Research \$2,500.00 / Day Portal to Portal
- * All other charges same as International

Legal Work

- * Depositions Minimum \$1,000.00 / Day + Expenses
Each additional hour over 6 hours @ \$175.00 / Hour
- * Expert Witness / Court \$2,000.00 / Day + Expenses

Underwater Survey Work

- * Surface Preparation Time \$150.00 / Hr / Man
- * Dive Time – 0 to 130 Ft. Depth \$265.00 / Hr / Man
- * Dive Time – 130 Ft. to 300 Ft. Depth \$425.00 / Hr / Man
- * Compressor Rental (Air Refills) \$50.00 / Hr – Runtime
- * Air Fill Per Tank \$5.00 / Tank
- * Photography (Still and Video) Cost
- * Tri-Mix Fill (depths below 130 Ft.) \$480.00 / Double Tank
- * Dry Suit Dive Equipment (If Required) \$50.00 / Hr / Man Additional

Receipts will be provided for all expenses in excess of \$100.00, or as requested by the client.