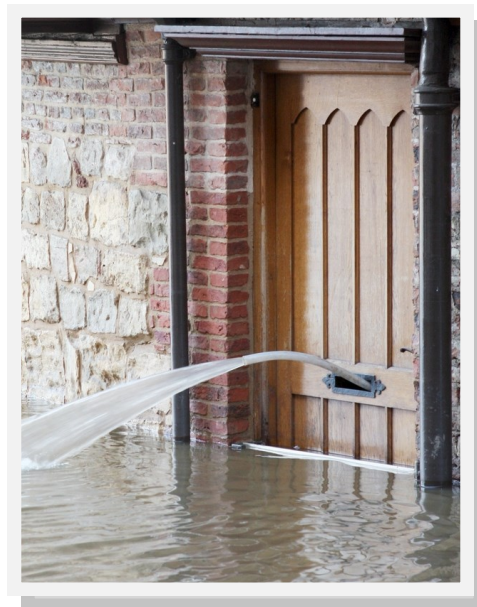


STATEMENT OF QUALIFICATIONS FOR THE PROPERTY INSURANCE SECTOR



MADRID ENGINEERING GROUP, INC.

Serving Florida Since 1992

200 +
Years of
Sr. Staff
Experience

Offices / Labs
Bartow and
Panama City



40 +
Employees

8 Drill
Rigs

The EARTH is our Business!sm

Over 20 Years
In Business

7,000 +
Completed
Projects

Certified
Soils/
Materials Lab
(AASHTO
/ CMEC)

5,000 +
Sinkhole
Related
Projects

EXPERIENCE | INNOVATION | CAPABILITY

A note from the President

Dear Prospective Client:

The purpose of this document is to inform you about our **experience, capabilities** and **ability to assist** you in **achieving your goals** within the insurance industry. Madrid Engineering Group, Inc. (MEG) is known within the **insurance industry** as a resource for **technical expertise**. As you will see, MEG is **the best choice** for your needs in:

Subsidence Investigations (sinkhole)
Wind and Flood Damage/hurricane insurance
Fire Damage Assessment
Structural engineering (broadly for property insurance)
Special property inspections, including underwriting
Expert Testimony Support; and
Construction monitoring services

MEG, established in 1992 and proudly serving all of the State of Florida, is a Polk County-based engineering company headquartered in Bartow, Florida at 2030 State Road 60 East. From this location we can respond to projects quickly throughout Florida.

Our staff of engineers, geologists, scientist and technicians is **diligent** and **technically superior**. With MEG, you will get accurate, precise results and reports in a **timely manner**. We can customize our services to meet your needs, including specialized inspections, time requirements and different billing options.

Attached is a qualifications package for Madrid Engineering Group, Inc. related to the Insurance Industry. Please take a look at the **list of services** MEG can provide you in the next several pages.

We look forward to the opportunity to assist you in achieving your goals.

Sincerely,

Larry D. Madrid, P.E., D.GE, F.ASCE, President

Diplomate of Geotechnical Engineering

Fellow of the American Society of Civil Engineers

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EXPERIENCE | INNOVATION | CAPABILITY

History and Perspective

There is much in a name. It identifies, distinguishes, and characterizes. A good name, or reputation, is a matter of pride and to be upheld at all costs. At Madrid Engineering Group, Inc. (MEG), we've built our reputation on providing unsurpassed value, doing **high quality work**, and stressing a team approach to all activities. To all of our clients, we bring the important ingredients of **technical skills, experience, common sense, innovative problem solving, and personalized service to each project**. Our reputation is at stake.

MEG was founded in 1992 by the president and principal of the company, Mr. Larry Madrid, P.E., D.GE, F.ASCE, and has grown to become a **multi-disciplined team** of engineers, scientists, technicians, and support personnel. We are a registered **professional engineering** (EB6509) and **geological** (GB459) **consulting firm**, with our home office centrally located in Bartow, serving throughout of Florida. The purpose of the firm has remained unchanged since its inception: to **provide high quality consulting engineering, environmental, and support services to our clients**.



MEG's Net-zero energy main office building



EXPERIENCE | INNOVATION | CAPABILITY

Products and Services

MEG offers engineering services that span a wide range of technological and service areas, as listed below:

1. **Natural Disaster/Structural Damage Assessment** (Fire, Hurricane, Wind, Flooding)
2. **Geologic Hazards/Subsidence Evaluation and Sinkhole Stabilization Design and Monitoring** (we have completed over 5000 subsidence investigations and hundreds of stabilization monitored projects throughout the State of Florida)
3. **Peer Reviews and Expert Witness Legal Services** (100's legal projects completed)
4. **Geotechnical Laboratory Services and Soil Materials Testing** (using our FDOT, CMEC and AASHTO-Certified laboratory)
5. **Drilling Services** – including limited access SPT drill rigs and well installations
6. **Continuing Education** – Sinkholes 101 (**FREE**, for credit, 3-hour class for insurance adjusters, underwriters and Florida Bar Members)

Other services that we provide to all of our clients include:

1. Site development design and testing
2. Geotechnical Engineering Design Services
3. Construction Inspection and Monitoring
4. Environmental Assessment
5. Regulatory Permitting
6. Structural Engineering Design Services



EXPERIENCE | INNOVATION | CAPABILITY

Subsidence (Sinkhole) Investigations

Sinkholes are a substantial problem in Florida, and other parts of the southeast US and the Caribbean. MEG has completed **over 5000 subsidence investigations throughout Florida.** MEG's professional engineers and professional geologists are acknowledged **experts** in the State of Florida for geotechnical engineering, to include sinkholes, soil compaction, soil type, behavior sediments, organics, clays and other soft soils, behavior of soils generated or disturbed by mining activities, and other related geotechnical issues.

We have been called upon as **geo-experts** for hundreds of legal cases. We provide a **total** engineering and geologic **package**, including: preliminary site visits, photo documentation of damages, test pits for foundation assessment, non-intrusive geophysical surveys including but not limited to ground penetrating radar and electrical resistivity imaging, floor elevation surveys, standard penetration test and direct push cone penetration testing (SPT and CPT) borings, dynamic hand cone penetration tests for shallow soils, hand auger borings, and emergency response services, borescope, thermal imaging, relative electrical floor studies, among others.

MEG compiles and **thoroughly evaluates** all the data collected from each project site into a **comprehensive professional report** that has been proven to stand up in court trials. Our goal is to maintain a **timely turnaround** to each investigation **without sacrificing quality.**



EXPERIENCE | INNOVATION | CAPABILITY

Stabilization Monitoring Services

As a service to the client and to verify and certify the stabilization program is conducted according to MEG specifications, we provide expert monitoring services. Madrid Engineering Group has a full range of experience in both the **design and monitoring of stabilization programs** for residential and commercial structures. MEG designs **grouting and underpinning remediation plans** and we are at the **forefront** of using **alternative remedial programs** such as polymer (chemical grouting) and slurry grouting for shallow applications. MEG has a Stabilization Supervisor who provides stabilization monitoring estimates, schedules the stabilization projects with the Contractors and our stabilization monitors, interacts with the Contractor to address issues, reviews the draft reports and coordinates with MEG's Engineer of Record (EOR). MEG's EOR will certify that the stabilization activities were performed in accordance with the plan and specifications and is involved through the entire project.

Updates regarding the progress of the work are regularly provided during construction. These updates will typically include summary reports of actual project quantities, productivity rates, and any schedule, budget, or other concerns that may require attention. At the completion of the project the data is compiled electronically and a comprehensive Report of Stabilization Activities is prepared by an engineer. Upon completion of the remedial program, MEG will prepare a **professional summary report** of the remedial program to the client.



EXPERIENCE | INNOVATION | CAPABILITY

Structural Damage Assessment

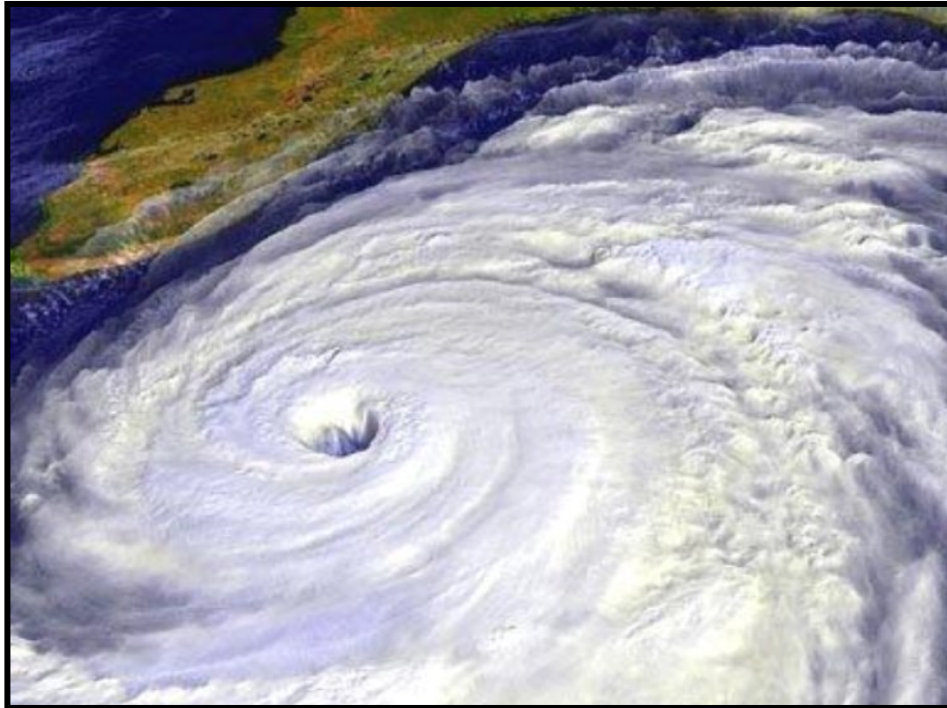
MEG provides a wide range of **structural damage assessment investigations** and other limited site inspections which typically involve a physical inspection of the structure. MEG has performed **100's damage** and safety **assessments** of civil, commercial and residential infrastructures.

MEG utilizes on-staff **structural engineers** to complete a **structural analysis, design and repair**. Our structural engineering team performs various analysis of field activity and data collection, as well as usage of applied mechanics, materials science, and mathematical studies to compute a structure's deformations, internal forces, stresses, support reactions and stability.



EXPERIENCE | INNOVATION | CAPABILITY

Natural Disaster Structural Damage Assessment



Hurricane Damage

High winds are a primary cause of hurricane-inflicted loss of life and property damage. Another cause is the flooding resulting from the costal storm surge of the ocean and the torrential rains that can accompany a storm.

MEG was deeply involved in assessing property damage in 2004 when hurricanes Charley, Ivan, Frances and Jeanne resulted in severe property damage. We were called upon to make evaluations of roof damage, flooding damage, building settlement, and more in Polk, Hardee, Orange and Charlotte counties. As we are statewide, we can provide these services wherever hurricane disaster strikes.



EXPERIENCE | INNOVATION | CAPABILITY

Natural Disaster Structural Damage Assessment

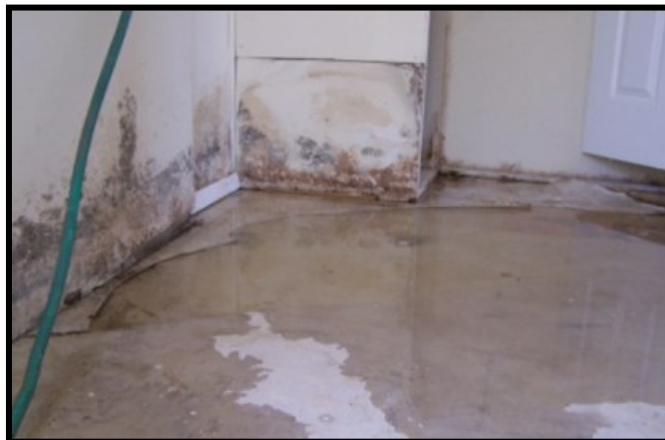
Wind Damage

Wind can tear the roof from a building, rip siding from exterior walls, and throw debris through windows. Falling trees can crush roofs and walls. Hurricanes and tornadoes generate exceptionally destructive winds that can turn buildings into piles of rubble. High winds can occur anywhere, and strike during many types of storms. MEG has **expertise and capability** to help you **evaluate property damage** from winds.



Water Damage

There are numerous possible losses caused by water intrusion which can result in destructive processes such as rotting of wood, rusting of steel, de-laminating of materials such as plywood, and many others. The damage may be imperceptibly slow and minor such as water spots that could eventually mar a surface, or it may be instantaneous and catastrophic. However fast it occurs, water damage can result in major loss of property.



EXPERIENCE | INNOVATION | CAPABILITY

Natural Disaster Structural Damage Assessment

Fire Damage

Another cause of property damage is fire. Regardless of whether or not the fire damage is caused by a natural occurrence or by human intervention, MEG can conduct a Structure Condition Assessment of the property to determine cause of damage and evaluate the need for repair. MEG has considerable experience in these types of investigations.



EXPERIENCE | INNOVATION | CAPABILITY

Peer Reviews and Expert Witness Legal Services

MEG routinely **provides Peer Reviews** for both structural- and subsidence-related reports, or a combination of structural and subsidence issues. The level of detail and type of review is determined by the request from the client and can range from a simple review of a previous investigation by others, to a detailed forensic investigation complete with site visits, additional testing, and independent analyses depending on the nature of a request. Peer Reviews are typically signed and sealed by a registered Professional Geologist or a registered Professional Engineer with expertise in geotechnical and/or structural engineering as appropriate.

Madrid Engineering is frequently called upon to provide expert witness services for our clients on insurance matters. We have senior level experts available in Structural Engineering, Geotechnical Engineering and Geology. Senior level personnel have provided expert testimony or depositions for 100's of cases since 2008.



EXPERIENCE | INNOVATION | CAPABILITY

Drilling Services

Madrid Engineering provides both **geotechnical and environmental drilling** and related specialties. MEG owns **8 specialized**, low ground pressure **drill rigs**, suitable for difficult access. As needed, MEG will also coordinate drilling services with other drilling firms, where MEG provides **supervision** and **monitoring**.

We take **great pride** in the selection and monitoring of our drilling companies. We only work with drilling companies that provide OSHA 40-hour safety trained personnel, and include well drilling contractors who are certified the water management districts in Florida. In addition, their equipment inventory must be constantly expanding to meet the needs of our clientele. For environmental drilling, a self-contained decontamination unit includes steam cleaner, water and power supply.



EXPERIENCE | INNOVATION | CAPABILITY

Geotechnical Laboratory and Soil Sampling

MEG has an **in-house certified laboratory** with its own technicians and scientists who have a combined experience of over a century. Standard equipment is available for **classification tests on soils in accordance to ASTM (American Society for Testing of Materials), and/or FDOT procedures**. Our engineers are experienced in coring through concrete and asphalt surfaces for core sampling or subsurface sample recovery. Madrid Engineering Group, Inc. is also equipped and experienced in sampling soft sediments in lakes, settling ponds and low lying wetland areas.



EXPERIENCE | INNOVATION | CAPABILITY

Threshold Inspection

Madrid Engineering Group, Inc. has an **in-house certified threshold inspector**. In order to ensure structural component conformance of larger or more complex structures, the state of Florida Building Construction Standards enacted Chapter 553, which defines a "threshold" building as: "Any building which is greater than three stories or 50 feet in height, or which has an assembly occupancy classification that exceeds 5,000 square feet in area, and an occupant capacity of greater than 500 persons." This standard also specifies that a building of this size must have threshold inspector services including a final conformance certification by a qualified Special Inspector.

Our inspection team consists of engineers with construction management background. Our inspectors have extensive experience and knowledge of local construction practices and requirements. Our team leader is Lennon Jordan, P.E., S.I., Chief Structural Engineer.



EXPERIENCE | INNOVATION | CAPABILITY

Continuing Education

In constant striving to provide an **exceptional experience for our clients**, MEG has taken the step to become a **Continuing Education Provider** with the Florida Department of Financial Services (Provider ID #368360), offering the following instruction:

SINKHOLES 101

Course ID #79885, CE 2-20 – General Lines (Property and Casualty), Subject area – Underwriting, 3 hours;

Course ID #79270, CE 3-24c – Adjuster – Optional Combo, Subject area – Adjusters, 3 hours.

MEG is also a registered Continuing Legal Education Provider with the Florida Bar (Provider ID #273276), offering SINKHOLES 101 to Florida Bar members, legal assistants, and others in the legal profession with various length of instruction options.

Larry Madrid, P.E., D.GE, F. ASCE is the approved instructor for both courses. Mr. Madrid has a reputation of making the classes both fun and interesting. He has the ability to explain complex engineering behavior in a way that most people can easily understand.

The Contact Person regarding course(s) – Kristijan “Kris” Andracic, MBA. Kris is our CE Manager, the registered School Official, and our contact person with Florida Department of Financial Services and Florida Bar.

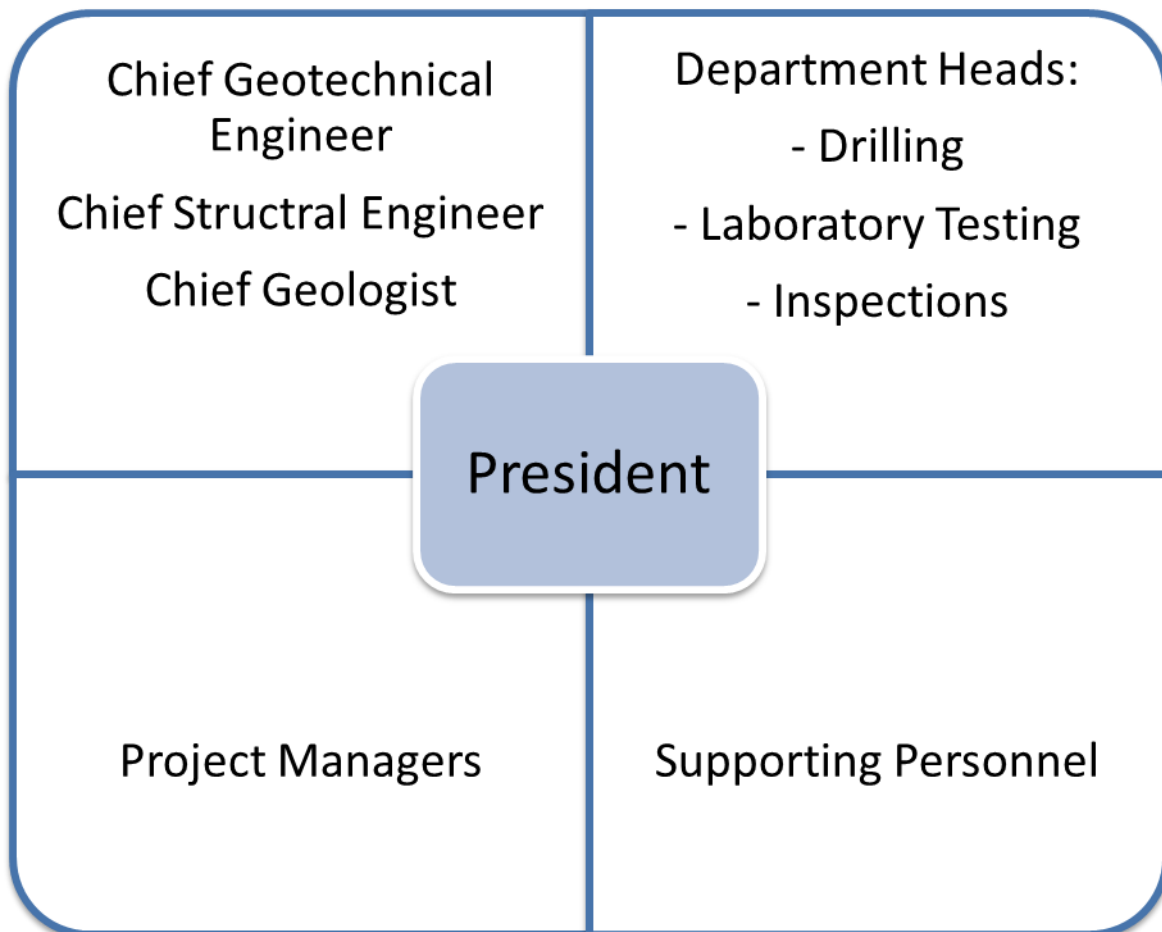
For a limited time, Madrid Engineering Group, Inc. provides this class for **FREE!**



EXPERIENCE | INNOVATION | CAPABILITY

Corporate Organization

MEG has incorporated a **powerful** organizational model which enables the company to provide a **wide range of engineering and support services to our clients**. Ideas and directives flow from the President to Technical Division Chiefs, ensuring a consistent methodology throughout the organization. Department Heads work with their staffs to accomplish tasks and projects. Project Managers coordinate with support personnel and departments to obtain vital engineering data, which is then reviewed by division chiefs. Communication and technical excellence is emphasized in every project.



EXPERIENCE | INNOVATION | CAPABILITY

Management Team

The senior project management team at Madrid Engineering consists of the President and three Technical Division Chiefs. This allows us to reach a consensus on technical issues with a relatively small group of individuals, each of whom possess a deep level of technical skill in their specific areas of expertise, as well as broad knowledge of engineering and geology based on their widely varied individual backgrounds and experiences. Diversity, creative thought, technical prowess and inspiration are channeled into superior decision making.



Larry D. Madrid, MSc, P.E., D.GE, F.ASCE, President

Master of Science in Civil Engineering (Geotechnical Program); Registered Professional Engineer in Florida; Diplomate of Geotechnical Engineering (certification by the Academy of Geo-Professionals; Fellow of the American Society of Civil Engineers.

Mr. Madrid has 30 years of experience, and is an acknowledged Florida expert in geotechnical engineering, with specialty knowledge including: sinkholes; soil compaction; soil identification; consolidation behavior of sediments, organics and other soft soils; compressibility of soils disturbed by mining activities; and more. He has worked on over 4000 insurance-related projects. Mr. Madrid has been contracted over 100 times as an expert witness, resulting in many cases being dropped, some going to arbitration or mediation, most requiring depositions, with 4 resulting in his presenting testimony in either Circuit or Federal Court.



EXPERIENCE | INNOVATION | CAPABILITY

Management Team Cont'd



Robert L. Stach, P.G., Chief Geologist

Bachelor of Science in Geology, Master of Arts in Geochemistry, Master in Business Administration, Registered Professional Geologist in Florida.

Mr. Stach has more than 45 years of experience in the fields of geology, hydrology and environmental science, and has a technical and managerial responsibility over a wide range of projects. Mr. Stach has particular technical expertise in geochemistry, especially the mineralogy and geochemistry of limestone and carbonate sediments in general. Mr. Stach serves as the senior reviewer of MEG technical reports from a geological perspective. He has been deposed numerous times and has served as an expert witness in legal cases on behalf of our clients, and has provided geologic expertise on over 4000 insurance-related projects.



Lennon D. Jordan, P.E., S.I., Chief Structural Engineer

Bachelor of Science in Civil Engineering, Master of Science in Engineering Management, Registered Professional Engineer, Certified General Contractor

Mr. Jordan serves Madrid Engineering Group, Inc. as a Chief Structural Engineer and Sr. Project Manager. His responsibilities include technical review and oversight of engineering projects and design activities, and provide leadership to technical and support staff. He serves a project principal and provides training as well. Mr. Jordan has reviewed over 4000 insurance-related projects, including fire, wind and water damage, and has provided expert witness services on numerous projects.



EXPERIENCE | INNOVATION | CAPABILITY

Management Team Cont'd



John E. Delashaw, P.E., Chief Geotechnical Engineer

Bachelor of Science in Civil Engineering, Registered Professional Engineer

Mr. Delashaw has over 25 years of experience in the geotechnical field, having worked on major projects throughout the southeast US, California and Hawaii, and internationally. Mr. Delashaw's primary experience includes project management and technical direction of geotechnical engineering projects, geotechnical field investigations and analyses for numerous public and private sector clients. Mr. Delashaw has managed over 3000 insurance-related projects on residential and commercial facilities. He is also the technical manager of the sinkhole stabilization programs at MEG. He is also the senior reviewer of geotechnical projects at MEG which are not related to subsidence.



EXPERIENCE | INNOVATION | CAPABILITY

Facilities and Equipment

Madrid Engineering Group, Inc. operates from a 12,000 SF office complex in Bartow, Florida. The office space is over 5000 square, not including our new geotechnical laboratory. The main office building is one of the most energy efficient buildings in Central Florida and is powered by 113 solar photovoltaic (PV) panels, making it a Net-Zero Energy office. Office equipment includes state-of-the art computers and printers, word processors, spreadsheets, specialty geotechnical design and analysis software, multifunction copiers, and CADD software. Our facilities compliment the services we provide, which include laboratory soil and analytical testing, drilling and field testing, and CADD capabilities. The company also has an in-house engineering library and access to an extensive electronic library of engineering and regulatory reference materials.



EXPERIENCE | INNOVATION | CAPABILITY

Our Clients

For 20 years, MEG has **helped** our clients **solve** complex problems and **accomplish** difficult tasks. Our clients come from many circles of society, ranging from homeowners and small business to industrial giants, major engineering and environmental consultants.

Numerous **insurance companies**, municipalities and governmental agencies also contract directly with us, or through general consultants such as engineers or architects. We also support the construction industry - contractors find our practical, no-nonsense recommendations provide immediate solutions and benefits to their day-to-day hands-on production.



EXPERIENCE | INNOVATION | CAPABILITY

Benefits to our Clients

- **Effective** internal / external communication
- **Short turnaround times**
- Multiple levels of **accountability**
- **Quality control** internal peer review before document issue
- **Building** long lasting **relationships** based on value and quality
- **Ongoing** professional / technical **training** to maintain currency and quality
- Team members assembled to **maximize productivity**



EXPERIENCE | INNOVATION | CAPABILITY

Awards

Madrid Engineering Group, Inc. has made several prestigious business lists in recent years:



EXPERIENCE | INNOVATION | CAPABILITY



The EARTH is our Business!SM

MADRID ENGINEERING GROUP, INC.

Serving Florida Since 1992

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