

First Dollar Earthquake Insurance that Makes Sense

Shake & PaySM

Shake & PaySM covers underground pipes, drains, foundations, misc. below ground property, buildings including sprinkler leakage, business interruption, pools, among many others.

Shake & PaySM is first-dollar parametric earthquake insurance for items either not covered by or below traditional insurance deductibles for commercial clients.

With Shake & PaySM policies, there are no deductibles and no property damage is required to qualify for a claim. Claims are typically paid within a short window of a covered loss payment event.

COMMERCIAL

RATING

NormanMax Insurance Solutions has access to highly rated capacity to support its parametric programs.

A.M. BEST

A+
(Superior)
Financial Size 15

STANDARD & POOR'S

AA-
(Very Strong)

FITCH

AA-
(Very Strong)

Key Benefits

No Deductible and Limited Exclusions:

Unlike traditional insurance, there's no deductible, and exclusions are minimal.

Speed of Payment:

Quick payouts help mitigate economic losses immediately after an earthquake.

Customizable Coverage:

Tailored solutions to address specific needs, including property damage, business interruption, supply chain issues, lost revenue and/or economic losses.

Complement to Existing Policies:

Can fill gaps in traditional policies, such as Builder's Risk or property insurance.

Highlights

Eligible Risk:

Any industry besides cannabis, ammunition, manufacturing, bituminous coal mining, underground, support activities for coal mining and surface coal mining.

Limit:

Minimum \$10,000 and up to \$10 million per policy.

Coverage:

Deductibles for traditionally insured exposures, loss of revenues, profits, and/or tax base (public entity) with or without property damage, extra and extraordinary expenses and loss of value or market value.

Available Trigger Options:

Triggers start at magnitude of 6.0 earthquake.

Peak Ground Acceleration (PGA) is an intensity measurement used to represent the shaking felt on the ground during an earthquake.

Policy Periods:

Standard 12 months.

Shake & PaySM covers exposures that typically are not insured or that are hard to insure such as:

- Business Interruption (BI) / Contingent BI
- Property damage
- Any deductibles for traditionally insured exposures
- Loss of revenues or profits with or without property damage
- Extra and extraordinary expenses
- Loss of value or market
- Earthquake sprinkler leakage
- Hardscapes and landscapes
- Loss of tax base or revenues (public entity)
- Engineering and safety certification costs
- Equity protection
- Annual aggregate limit

Who can benefit from Shake & PaySM?

Shake & PaySM Insurance is ideal for:

- Commercial property owners
- Businesses with significant earthquake exposure
- Developers and contractors
- Municipalities and utility providers
- Insurance carriers seeking embedded solutions

Shake & PaySM vs. Traditional Insurance:

Features		Shake & Pay SM	Traditional Insurance
Deductibles		None	5–25% of Total Insured Value
Claims Process		Rapid and transparent; measured in days	Up to years to settle
COVERAGES (AS DEFINED IN POLICY TERMS)	Full Property Damage	○	△
	Earthquake Sprinkler Leakage	○	△
	Hardscapes and Landscapes	○	△
	Direct/Indirect Financial Losses	○	△
	Business Interruption (BI) / Contingent BI	○	△
	Loss of Revenue or Profit	○	△
	Engineering and Safety Certification Costs	○	△
	Extra and Extraordinary Expenses	○	△
	Equity Protection	○	△
		○ Full coverage Up to the Purchased Policy Limit (Annual Aggregate)	△ Various limitations apply

Contact NormanMax Insurance Solutions to find out how we can protect you.



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Claims Process

To file a claim please visit <https://normanmaxinsurancesolutions.com/file-a-claim/>

FAQ's

What is Shake & PaySM?

Shake & PaySM is a parametric (re)insurance product designed to provide swift financial relief following an earthquake. It uses a pre-defined triggers, such as Peak Ground Acceleration (PGA), to determine payouts, bypassing traditional claims processes.

How does Shake & PaySM work?

Step 1: A Magnitude 6.0 Earthquake occurs anywhere in the region and affects the covered territory (Covered Event). The event start date and event end date (12:00 am PST on the 31st day after the event start date) are established.

Step 2: The USGS (U.S. Geological Survey) publishes a ShakeMap, which can be found at: <https://earthquake.usgs.gov/data/shakemap/>

Step 3: Moody's (calculation agent) creates an event report that certifies the maximum PGA by the covered territory, as released by the USGS ShakeMap.

Step 4: Based on the Moody's event report, the loss payment amount available for claims payments is determined as the percentage of the limit related to the maximum PGA.

Step 5: The insured will prepare a proof of loss attesting to the economic loss from the covered event and submit it online through the claims page on our website: <https://normanmaxinsurancesolutions.com/file-a-claim/>, or via the designated claims phone number and email provided in the policy.

Step 6: The claims processor will verify the loss payment amount available based on the event report and the proof of loss attestation. The claims processor will then submit for claims payment to the insured, up to the maximum loss payment amount.

Does the epicenter of the earthquake need to occur in my county to trigger my policy?

A Magnitude 6.0 or greater earthquake can happen anywhere in your state or extended region. After the earthquake occurs, the policy loss payout amount is determined based on the Maximum Peak Ground Acceleration (PGA) as measured by the USGS ShakeMap in your county.

What is Peak Ground Acceleration (PGA)?

Peak Ground Acceleration (PGA) is an intensity measurement of actual ground shaking that occurs during an earthquake. PGA can be measured many miles from the epicenter of the earthquake and can be a better predictor of economic loss as experienced by the insured since it is being measured locally in your county.

Why is PGA the determinant of the maximum payout instead of the magnitude of the earthquake at the epicenter?

The epicenter of the earthquake can be several hundred miles from your location; even in a neighboring state. As a policyholder, the PGA intensity as measured in your county and the level of damages you experience are what is most important. As an example, if you live near a fault line and a high magnitude earthquake occurs 300 miles from your location, the ground shaking that you experience could still be severe in your county.

Available limits and territories:

Quoting and binding for limits between \$50,000 and \$10,000,000 within a single coverage region. Risks that include more than a single coverage region or that require higher limits will be referred to underwriting.

Is the limit of insurance connected to the total value of my exposure?

Unlike traditional insurance that attaches in excess of likely losses and is underwritten based upon the total exposure, Shake & PaySM limits are determined based upon first dollar losses as well as projected needs and budget.

Do I have to have traditional insurance to purchase Shake & PaySM?

This is not a requirement for purchase of the product.

What is ShakeMap?

ShakeMap is a product of the USGS Earthquake Hazards Program that provides near-real-time maps of ground motion and shaking intensity following significant earthquakes, which can be found here: <https://earthquake.usgs.gov/data/shakemap>.

Who is Moody's?

Moody's is a leading catastrophe risk modeling company founded in 1989 to "create a more resilient and sustainable global society through a better understanding of catastrophic events."

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