Business can be fragile in the wake of a quake. However, each year approximately 90% of California insureds choose not to buy Earthquake insurance. The COVID-19 pandemic has also shed light on the fact that even with an insurance policy, significant economic losses are not limited to property damage or business interruption caused by a direct physical loss.

That's why Amwins is excited to offer our clients access to Shake and Pay, a unique Earthquake parametric solution.

- First Dollar coverage, zero deductible
- Simple and easy to understand with limited exclusions
- Rapid and streamlined claims process measured in days
- No property damage required to receive payment
- Underwriting Eligibility: Almost any California risk. No restrictions around age, soil conditions or retrofits
- Coverage based on projected needs and budget, not Total Insured Value
- Extremely broad coverage policy that can be used for almost ANY economic loss including but not limited to:
  - Business interruption/contingent BI
  - Full property damage
  - Any deductible for traditional insured exposures
  - Loss of revenues/profits with or without property damage
  - Loss of tax base revenue (public entity)
  - Extra and extraordinary expenses
  - Loss of value or loss of market Earthquake sprinkler leakage
  - Fire following
  - Hardscapes and landscapes
  - Engineering and safety certification costs
  - Equity protection

Exclusive parametric platform brings quick quotes to accounts of all sizes

As a parametric insurance product, Shake and Pay presents a different value proposition over a traditional indemnity policy.

Forget what you know about earthquake insurance

What makes Shake and Pay a unique parametric solution?

**Lower limits and minimum premiums.** Shake and Pay offers all the benefits of a traditional parametric product with limits ranging from $50K to $5M and minimum premium as low as $2,250. This range of limits, which was previously unattainable, allows Insureds of all sizes to protect themselves like never before.

**Speed to market: the exclusive Amwins advantage.** When you're in a bind and need to bind, speed to market matters. Typical parametric insurance can take months to develop and refine before a quote is provided. With standard triggers and rates, coverage can be quoted and bound in as little as 10 minutes through Shake and Pay's online platform. As a true specialist with a deep understanding of parametric solutions, this online quoting option is only available through Amwins.
Additional details

- Limits: Annual aggregate from $50K to $5M
- Underwriting referrals available for higher limits or risks that include more than a single coverage region
- Policy Term Length: Annual
- Carrier: A.M Best rated “A+ XV” Non-admitted

How the product works

1. An earthquake with a magnitude of 6.0 or higher occurs during the policy period and registers anywhere in CA or surrounding territories including bordering states, Baja California or offshore.

2. The U.S. Geological Survey (USGS) publishes a ShakeMap, which provides near-real-time maps of ground motion and shaking intensity following significant earthquakes.

3. RMS, a leading catastrophe risk modeling company, creates an event report that certifies the maximum Peak Ground Acceleration (PGA) by covered territory as released by the ShakeMap. PGA is an intensity measurement of actual ground shaking that occurs during an earthquake. It serves as an indicator of actual impacts at the insured's location.

4. The payment amount available for claims is the percentage of limit that corresponds with the maximum PGA noted in the RMS event report. See scale to the right. The index pays claims based on the highest intensity within the insured's county.

5. The insured prepares a proof of loss attesting to economic loss from the covered event.

6. The claims processor verifies and issues payment in a matter of days following the filed claim.

Historic event example

**Background**

The largest earthquake in the Ridgecrest sequence happened on July 5, 2019.

- **Magnitude of the largest Earthquake in the sequence:** 7.1
- **Miles from the epicenter felt the Earthquake:** 300+
- **Total damage estimates according to USGS:** $1 billion+
- **Estimated losses covered by insurance:** $40 million

According to the California Earthquake Authority, this was the largest California has seen in the last 20 years, with effects felt as far away as Sacramento, San Diego and Las Vegas.

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**How Shake and Pay would have paid out**

To learn more, contact your Amwins property broker or **Harry Tucker**, Amwins national property practice leader.