Liberty Mutual REINSURANCE



Parametric earthquake sensor cover

Protect your assets against earthquake damages with a purely parametric sensor-triggered earthquake cover that helps you to recover rapidly after disaster with fast access to liquidity without any human intervention on the ground.

Our expert underwriters, supported by an experienced team of actuaries, claims and administration professionals, provide a high quality of service. We write Agriculture & Parametric covers on a worldwide basis, all backed by 'A' rated security.

How does it work?

Any entity located in the earthquake-prone area is exposed to detrimental risk of not only physical damage but also business interruption connected to an earthquake after-math. Both private and public sectors can experience significant financial shortfall between the moment of the actual catastrophe and the access to loss indemnification from traditional insurance providers.

Liberty Mutual Reinsurance has partnered with Safehub, who has developed an easy-to-install, smartphone-sized seismic sensor to provide our clients with a cutting-edge solution to face earthquake risk combining the latest parametric and technological developments.

Sensors are placed in strategic locations within the footprint of the building to measure site-specific ground movement in the form of Peak Ground Acceleration (PGA).

This data is then used as an independent building-specific index for parametric insurance policies in combination with a pre-defined damage table to trigger payout.

Why use the Liberty/ Safehub solution

In addition to common advantages of parametric insurance, our Liberty/ Safehub solution offers payouts within days based on the onsite estimation of the earthquake intensity minimizing the difference between actual damages and payout.

Our solution could also be complementary to your existing traditional earthquake insurance, acting as a deductible buy-out policy and providing additional capacity for business interruption losses.



Earthquake Insurance Considerations

	Parametric insurance?	Index	Exclusion/ Deductible	BI/NDBI Cover	Loss adjustment cost	Payout speed	Site-specific assessment	Basic risk
Traditional catastrophe insurance	✗	Loss adjustment at location	✓	✗	High	Several months	Yes	Low
Cat-in-a-box	✓	Magnitude in a box	✗	✓	No	Several days	No	High
Ground motion with ShakeMap	✓	Ground motion as provided by USGS[1] ShakeMap	✗	✓	No	Several weeks	Yes, but estimated	Moderate
Ground motion with sensor	✓	Ground motion measured locally by Safehub sensor	✗	✓	No	Several days	Yes	Low

1 United States Geological Survey

For more information, please visit: **libertymutualre.com**

Follow us on LinkedIn and be in the know on emerging trends, legislative updates, and announcements.

Liberty Mutual REINSURANCE

The Feeling's Mutual

Our solution:

- Uses high precision data provided in near real time
- Available for earthquake-prone locations worldwide
- Does not require any human assessment on the ground
- Based on your location and your business requirements

Information we require:

- GPS location of your property (can be multiple locations)
- Risk profile: Underlying business covered, historical losses if available.

A public reporting agency can provide a good estimation of the regional seismic intensity, yet the difference in shaking intensities can be building-specific. Two buildings can have different levels of damages, although United States Geological Survey (USGS) may estimate them to have similar PGA values. This is why on-site measurement is crucial.

By purchasing Liberty parametric earthquake cover using Safehub's sensors, you will also benefit from access to earthquake damage alerts and cloud-based analytics.

- Get earthquake damage information in minutes via text and email
- Gain critical situational awareness so you can prioritize your emergency response efforts
- Monitor the damage status of facilities across the globe with the Safehub's dashboard from your phone, tablet, or computer
- Access vulnerability information, building-response details, and engineering data to support visual inspections
- Minimize financial loss, expedite recovery efforts and reduce overall risk



Provide your exposure information

▼

Liberty and Safehub will design a parametric structure and provide a sensor to install

▼

Access Safehub's platform for building-specific damages estimates

▼

If the PGA reaches the predefined threshold, the payout is triggered and received within days

▼

During aftershocks, Safehub will continue to deliver data that you can share with local teams

Product contact:

Jean Christophe Garaix
Head of Agriculture & Parametrics
jeanchristophe.garaix@libertyglobalgroup.com
Direct Line: +33 (0)1 58 36 63 30

Liberty Mutual Reinsurance (LM Re) is a trading name of the Liberty Mutual Insurance Group (LMIG). Policies are underwritten on behalf of either LMIG subsidiaries, affiliates, or the underwriting members of Liberty Specialty Markets' Lloyd's syndicate. When we offer insurance products we will clearly state which insurer will underwrite the policy. The description of cover in this document does not include all terms, conditions, and exclusions, for which please refer to the policy wording itself. For more information on our terms and conditions and our privacy policy, please see www.libertymutualre.com. © 2023 LMRePESH1737-10-23