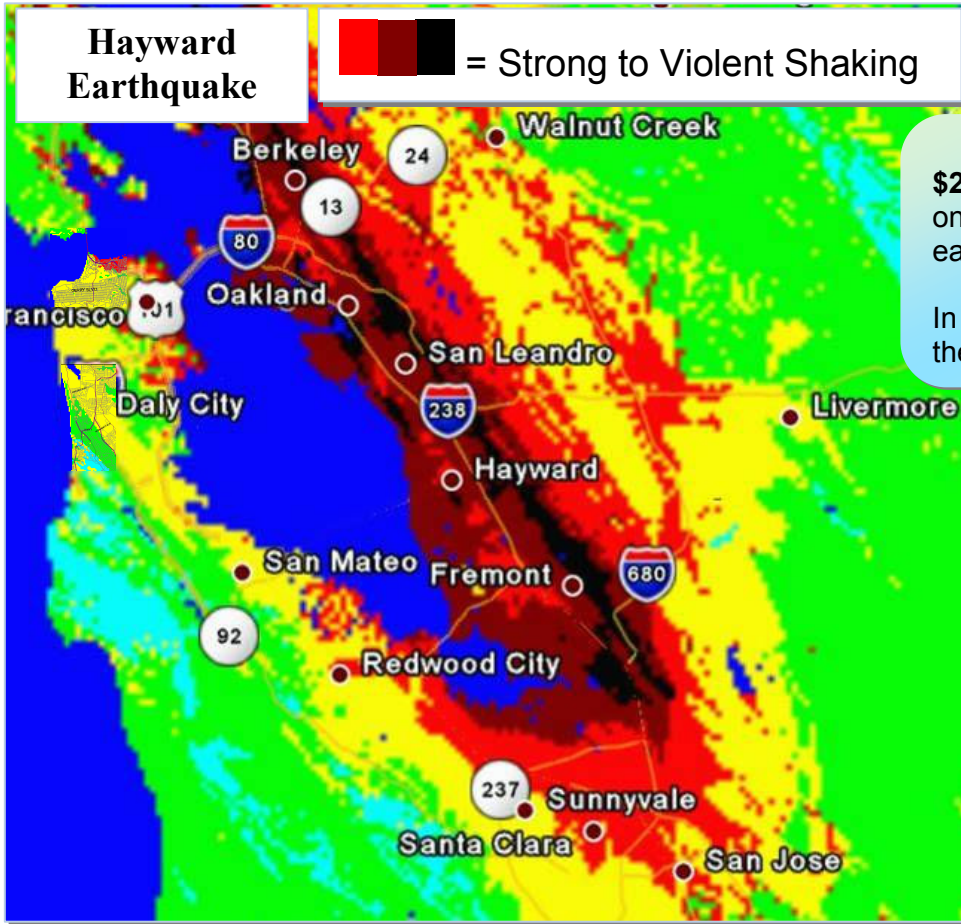
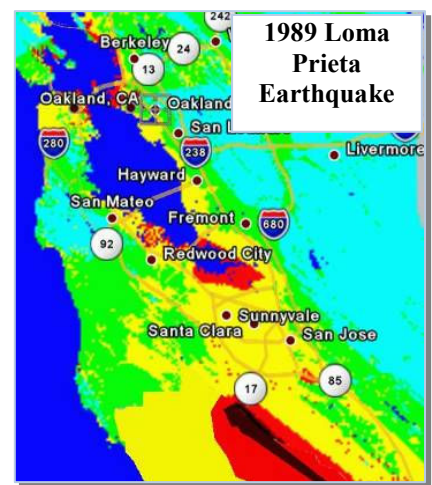


# Executives Prepare for Hayward Earthquake – Most Likely Risk in America



**Economic Impact:**  
\$200 Billion damage is expected, but only \$30 Billion is insured, for a major earthquake on the Hayward Fault.  
  
In comparison, the economic impact of the 1989 quake was about \$7 Billion.



- Facts about the Hayward Fault:**
- Summer 2001, FEMA warned that these are **the most likely threats facing America:**
    - ✓ Terrorist Attack in New York City
    - ✓ Levee Failure in New Orleans
    - ☐ **Earthquake in Bay Area**
  - On Average, Hayward Fault has a major earthquake every 140 years
  - It is now 143 years since most recent quake (1868)

- Expect the Following Damage:**
- Moderate-Serious damage to Well-Constructed Ordinary Buildings
  - Moderate-Serious damage to Critical Equipment
  - Sprinkler Leakage (expect 10,000 gallons of water on the floor)
  - Power, Internet, Phone Out-of-Service

- Priorities for Reducing Risks:**
- **Sprinkler Leakage** – Upgrade Bracing, even in Modern Buildings
  - **Fire Following Earthquake** – Automatic Gas Shut Off Valves
  - **Evacuation** – Upgrade Emergency Response Plans
  - **Vital Records** – Duplicate Off-site
  - **Stakeholders and Staff** – Update Crisis Management Plan

- Procovery Can Help:**
- Business Continuity Planning
  - Improve Gas Piping
  - Evacuation Planning
  - Improve Sprinkler Bracing
  - IT Recovery Planning
  - Improve Equipment Bracing
  - Crisis Communication Planning
  - EQ Damage Modeling and Loss Estimates