

Paper: Life Continuity™ Preparedness Programs

Introduction

In the present age, we can't help but know that disasters happen, and that we ought to be minimally prepared to face them. Our screen and print media fixate on the devastation and misery that disasters bring, and the Red Cross and Homeland Security expend many resources urging people to prepare. Events in New York and New Orleans in the past decade demonstrated a principle that Homeland Security has since confirmed, namely, that the government cannot be there for everyone—or even most people—in the wake of a major catastrophe¹. Despite possessing the best EMS² system in the world, the United States' Federal, State and local governments are woefully unprepared for the next crisis, whether natural or man made. Thus, we are left with this stark reality: we are each *individually responsible* for preparing and protecting ourselves and our loved ones. Sadly, 98% of us haven't taken this responsibility seriously.³

Enter Sovereign Deed: a company pioneering an entirely new industry designed to provide private disaster preparation and response services to individuals, families and corporations. Some call it "Privatized FEMA," others call it "Private Civil Defense," but we like to call it "Life Continuity™" Programs. In today's world we spend an inordinate amount of time and money protecting the inanimate objects in our lives, most notably cars and homes. But we spend almost no time or money protecting something far more important – our own lives and those of our loved ones. In fact, we believe that, as the world becomes increasingly dangerous, and metro areas more densely populated, most people in western nations will feel compelled to purchase some form of Life Continuity™ service.

We are at risk

Most people are unaware of the inelasticity of our just-in-time supply chain, medical system and communications networks. Each of these represents a key element in our economy and sustains the growth and development of our metropolitan areas. Any disaster, no matter its geographical proximity to an area, can adversely affect critical supplies and/or communications. Consider the "ripple" effects of the following disasters, whether real or predicted:

- Hurricane Katrina in 2005;
- The cyclones that hit Burma (Myanmar), killing over one million⁵;
- The massive May earthquake in China that killed over 100,000;
- The immense 2008 flooding that surprised and devastated the Midwest of the United States;
- The dozens of hurricanes predicted for the 2008 season;
- A global influenza pandemic, repeatedly predicted by scientists;
- A tuberculosis outbreak (*E.g.*, this is a significant problem among illegal immigrants. Also, in the past year, a traveler with a drug-resistant and contagious form of tuberculosis foiled traditional border security);
- An outright act of war (unfriendly nations continue to develop offensive weapons);
- A terrorist attack (the radical terrorists that struck the United States in 2001 vow to return; the country's leading counter-terrorism experts believe the only outstanding question is "when").

¹ <http://www.fema.gov/news/newsrelease.fema?id=42649>

² EMS is an acronym referring to Emergency Medical System or Services, which include public and private police, fire, paramedic, ambulance service and hospital emergency room services.

³ Sovereign Deed and other outside agencies have conducted extensive research on this subject.

⁴ Life Continuity is based upon the premise that it is more important to protect life than inanimate objects. Our research shows that the vast majority of Americans maintain insurance policies intended to protect inanimate objects, yet have done nothing to protect the lives of their loved ones.

⁵ The casualties from this disaster were much higher than the western media reported.

The list of potential natural disasters and man-made threats seems to grow each year, and any single event is capable of imperiling or disrupting life, even from a distance. Experts believe the likelihood of your family being impacted by a disaster is at least comparable to the probability of losing your home due to fire or flood⁶.

Over 50% of the US population lives in the 20 largest metropolitan areas. Such areas are dependent on a fragile supply chain and communications network. Disaster response experts agree that most metro areas are un-evacuable⁷ given the time constraints associated with most catastrophic events. The same infrastructure limitations and losses that contribute to evacuation problems will also severely curtail efforts to supply a metro area in distress.

While many government agencies charged with emergency response provide outstanding service in the case of day-to-day emergencies, these same agencies are quickly over-taxed in a large-scale crisis. Their capabilities are overwhelmed by the sheer number of people seeking assistance. Think about it. Who is going to respond to your urgent needs when everyone else in the area is calling for the same service?

Thirty-one countries have a civil defense system designed to respond to their citizens' needs during natural or man-made disasters. The United States has none. Instead, the United States relies on the coordinated efforts of thirty-eight different federal agencies, along with State and local emergency response professionals, to craft solutions as the need arises. Despite the rhetoric, little has changed since Hurricane Katrina in 2005.

An un-credited author stated some time ago that one "cannot insure retroactively." The same holds true for disaster planning – you cannot prepare yourself and your loved ones after the fact.

Currently, our country is in the midst of an unprecedented financial crisis, the magnitude of which very few actually understand. According to former President Clinton, if the credit crisis is not averted, the nation runs the risk of "commerce stopping."² We agree. And we wonder whether you have considered what it would mean to you and your loved ones if commerce indeed stopped. Are you even remotely prepared for something so extraordinary?

We forecast the current financial crisis some three years ago, and we see further related geopolitical upheavals on the horizon. For example, despite the political rhetoric, the current financial crisis will eventually require the scaling back of government which will, among other things, diminish our military's ability to continue its 40-year role as the world's policeman. Russian and Chinese aggression will continue to escalate as worldwide competition intensifies for natural resources. And that's just the beginning.

So, you insured your home. You insured your car. You purchased an umbrella insurance policy to protect your financial assets. But have you done *anything* to protect yourself or your loved ones in the event of a disaster?⁸ Have you answered the question, "what is your plan?" Have you at least followed DHS's advice to store food and water? Or maybe you know that you should do something, but you're not sure what. Where do you start? To whom do you turn? At what point have you done enough?

Threats come in many varieties, and each requires a unique response based on a long list of variables – weather, season, time of day, training, and so forth. The complexity of the problem supports the premise that disaster preparation should be outsourced to professionals. This is the most cost-effective way to provide the planning, training, resources, and information necessary to successfully ride out a catastrophe.

The Sovereign Deed Concept

In 2006, a few individuals and corporations hired Sovereign Deed, and the *Life Continuity*TM business was born. We serve individuals, families and corporations that seek to plan for crisis and disaster situations, and who recognize the government's severe limitations in this area. Our customers know it is inherently difficult to research and prepare, even simply, for crisis circumstances, and they are grateful to be part of our outsourced solution. Our customers have

⁶ <http://www.redcross.org/index.html>

⁷ Most disaster preparation experts readily acknowledge that most large metropolitan cities cannot be evacuated in a manner that would protect the population from disaster.

² <http://wcbstv.com/topstories/hillary.clinton.senate.2.829183.html>

⁸ There have been 3286 Emergency declarations and 1770 disaster declarations in US. <http://www.fema.gov/news/disasters.fema>
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something that is elusive today – the peace of mind that accompanies prudent preparation for relatively improbable but high-impact disasters – financial, natural, or otherwise. The need for *Life Continuity*TM programs has never been greater.

Sovereign Deed's *Life Continuity*TM preparedness programs represent a critical new industry for this millennium. The private sector must fill the gap between the expectations of the public in a crisis, and the realities of limited governmental response capabilities. By pioneering *Life Continuity*TM preparedness solutions, focusing on, and making it available commercially, we are meeting a critical need. Our unique products and services provide planning, preparedness and response solutions to families and corporations. Sovereign Deed empowers its Members (clients) to endure when the normal infrastructure breaks down and emergency response services become overwhelmed. Our approach is forged by proven leaders in emergency response and delivered by duty-bound specialists committed to helping our Members stay safe before, during and after a catastrophe.

Conclusion

*Life Continuity*TM disaster preparedness and emergency response programs may seem a novel concept today, but, as the world becomes more vulnerable to further sigma events⁴, and the government's inability to respond is exposed, it becomes increasingly important to be prepared. Property insurance, life insurance, and disability insurance all reflect premium dollars spent to protect against uncertainty. Only now, with Sovereign Deed, can life itself become the object of prudent pre-planning and protection.

Sovereign Deed knows you are too busy to do your own research and planning. Our full suite of disaster preparation and response services provide a real answer to that seemingly simple question – what's your plan? In a world filled with uncertainty and the continued possibility of crisis events, Sovereign Deed delivers additional peace of mind. We believe no one can afford to be unprepared.

Sovereign Deed is building its new, multi-billion dollar *Life Continuity*TM industry focused on that which is most dear to us—the safety and security of our loved ones. We invite you to learn more.

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Relevant Background to the *Life Continuity*TM Industry

The financial crisis is driving home a point that we have been preaching for years, namely, that threats to our families and corporations come from unexpected directions, making it imperative that we prepare for the unexpected – whether a financial crisis, an interruption in government services, a terrorist event, a natural disaster, war, civil strife or anything similar. We live in interesting times, where sigma events⁵ have become the norm. As a backdrop to our discussion, consider the following factors that affect both risk and response in our country.

Leadership in our Government(s): While there are admirable individual exceptions, American political leadership on the whole is entrenched and self-serving. They foment class warfare, and embroil themselves in one scandal after another, all the while squandering our resources at a rate that ensures that either our nation will go bankrupt, or future generations will be indentured servants. The recent dithering regarding the \$700 billion bailout package exemplifies all that is wrong with our politicians – what happened to accountability?

Financial Troubles: According to the United States Treasury's Bureau of Public Debt, on the last day of September 2008, the national debt passed \$10 trillion. Meanwhile, the financial bailout legislation passed by the House and Senate in early October raised the debt ceiling further to \$11.315 trillion. The gross national debt as a percentage of the gross domestic product has hit a 50-year high. However the real national debt is closer to \$70.0 trillion if one takes into account future spending promises like Medicare and Social Security, or even future spending guarantees like veterans' benefits

⁴ The term, "Six Sigma Event" was coined in financial circles to describe extreme (and extremely unlikely) movements in market prices that contradict normal distribution assumptions, sigma being the Greek letter representing volatility. We define the term "sigma event" to include all man-made or natural disasters, as the probability of their occurrence always falls outside normal standard deviations.

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and federal employee pensions. It seems unlikely that the Government will be able or willing to afford improvements in general civil defense anytime soon. *Fact: The government uses "cash" instead of "accrual" accounting. This means that the government does not report future spending promises. In essence, Cash accounting tells you what's in your bank account. Accrual accounting tells you what's in your bank account and what's on your credit card statement.*

National Security: The published 2008 budget for the Department of Defense is \$623.1 billion dollars. DOD operates over 700 facilities across the world and has over 1.8 MM people in uniform. The United States maintains what is arguably the most formidable fighting force that has ever existed. It is not unfair to speculate that any future "surplus" in our treasury (after campaign promises are addressed) will be soaked up by our overextended military, not by FEMA or any other disaster-recovery agency working on behalf of citizens. *Fact: The United States actually spends close to \$1 trillion a year on defense related purposes if one aggregates related defense expenditures run through the budgets of the Department of State, the intelligence services, DHS, DOE, and NASA, and if foreign military aid is included⁶. According to the DOD's 2008 modernization strategy the military sees the next 30 to 40 years as involving a state of continuous war against ideologically-motivated terrorists, as well as Russia and China who will increasingly compete for natural resources and markets.⁷*

We Have Become Soft: Don't kid yourself. In the aftermath of a crisis event, the size of your checkbook means little. Affluence does not insulate. You cannot prepare retroactively. Like everyone else, you are dependent on our "just-in-time" delivery system. Consider how your day radically changed the last time the electricity went out... What if the gas line into your home was interrupted during the winter months? What if you dialed 9-1-1 and no one answered? What if store shelves were suddenly empty? What if all your credit cards were declined, and no one was willing to take your check? What if banks were closed and ATM machines out of order? What if no one would even accept your cash? If you think this is "unrealistic," please think again. We are now forewarned to expect the unexpected. Who ever thought Lehman Bros. would go under without rescue? We must take nothing for granted.

Lack of Planning and Foresight: Most businesses have a strategic plan. Have you ever heard an elected official in the United States discuss a long-range strategic plan or vision for the country? The fact is, our government does not think or plan long-term, which puts us at great disadvantage to nations that plan decades or even centuries in advance. Why shouldn't the nation have a long-term plan? Look at Japan, and note how far that nation has come since 1945. How about the Chinese? *Fact: Thirty-eight US government agencies are responsible for various elements of the federal government's disaster response "plan." The United States has NO comprehensive civil defense plan, yet the American public is entirely dependent on the government in a time of emergency.*

National Infrastructure: Our country has a \$1.6 trillion deficit in needed infrastructure spending through 2010 for repairs and maintenance. Competing nations are investing heavily in infrastructure to strengthen their economies, yet the U.S is spending less than 1 percent of its GDP on infrastructure. Eighty-three percent of the nation's transportation infrastructure is not capable of meeting the nation's needs over the next 10 years. Ninety-seven percent of roads, bridges and tunnels, and 88 percent of transit/rail systems will require at least moderate improvement.⁸

Human Denial: Disasters are characterized by unpredictability and uncertainty. In the present age, we can't help but know that disasters happen. We *ought* to be minimally prepared to face them, but we're not. Our screen and print media fixate on the devastation and misery that disasters bring, and the Red Cross and Homeland Security expend many resources urging people to prepare. Events in New York, New Orleans and Houston in the past decade underscored a principle that Homeland Security has since admitted, namely, that the government cannot be there for everyone—or even most people—in the wake of a major catastrophe⁹. Despite possessing the best EMS¹¹ system in the world, the United States' Federal, State and local governments are woefully unprepared for the next crisis, whether natural or man made. Thus, we are left with this stark reality: we are each *individually responsible* for preparing and protecting our loved ones. Sadly, 98% of us haven't taken this responsibility seriously.¹³

⁶ <http://www.independent.org/newsroom/article.asp?id=1941>

⁷ <http://www.irishtimes.com/newspaper/opinion/2008/0922/1221998220381.html>

⁸ <http://www.progressivestates.org/content/609/us-infrastructure-an-economic-disaster-waiting-to-happen>

⁹ <http://www.fema.gov/news/newsrelease.fema?id=42649>

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