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## **California Earthquake Authority continues to see strong interest in earthquake insurance**

*CEA increases claim-paying capacity to more than \$15 billion*

(SACRAMENTO) The California Earthquake Authority (CEA) ended its second quarter of 2017 with more than 950,000 policies in force—continuing a trend of increased earthquake insurance sales that began in 2016.

In 2016, CEA saw a significant net gain of more than 52,000 policies in force—more than seven times CEA’s average gain of about 7,200 annually in the past 10 years. Interest in earthquake insurance remains strong in 2017, as well, with 18,804 more policies in force after the first six months, bringing CEA’s total policies in force to 950,393 at the end of June 2017.

“Californians are listening to what the scientific community is telling us—that we are overdue for a large earthquake, and we need to be ready when it strikes,” said CEA CEO Glenn Pomeroy. “More Californians are insuring their homes so they can recover financially following a large and damaging earthquake, which scientists say is not a matter of if, but when.”

CEA’s claim-paying capacity now exceeds \$15 billion, more than enough to pay covered losses if a devastating earthquake—like the 1906 San Francisco, 1989 Loma Prieta or 1994 Northridge earthquake—were to reoccur in California today.

“We rely on the best available science to ensure we’re on solid ground financially,” said Pomeroy. “And through smart, innovative financing, our claim-paying funds continue to grow as CEA covers more and more residences in California.”

CEA, the country’s largest provider of residential earthquake insurance, has sponsored catastrophe (“cat”) bonds for its risk-transfer program since 2011, providing a key innovation in growing its claim-paying funds. The most recent was completed in late May: \$925 million in reinsurance from CEA-sponsored cat bonds, CEA’s largest capital market risk-transfer deal to date. To learn more about CEA’s [financial strength](#), see CEA’s [June 30, 2017, financial overview](#).

### **About CEA**

The California Earthquake Authority (CEA) is a not-for-profit, privately funded, publicly managed organization that provides residential earthquake insurance and encourages Californians to reduce their risk of earthquake loss. Learn more at [EarthquakeAuthority.com](http://EarthquakeAuthority.com).

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