



**For Immediate Release  
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**Yesterday's earthquake in Borrego Springs delivers preparedness reminder;  
California Earthquake Authority (CEA) offers strength to rebuild**

SACRAMENTO – Though the California Earthquake Authority (CEA) estimates that only 21,865 of its policyholders in the immediate area may have felt shaking from yesterday's 5.4-magnitude quake near Borrego Springs, the event serves as yet another reminder to make earthquake preparedness a top priority in California.

“California is home to about two-thirds of the nation's earthquake risk, with about 2,000 known faults throughout the state,” CEA CEO Glenn Pomeroy said. “While we've experienced record increases in demand for earthquake insurance due to damaging events around the world this year, to date only 12 percent of California's homeowners with a fire policy also are covered for earthquake damage.”

California residents should know their residential homeowners (fire) insurance policy does not cover earthquake damage to their houses – a separate earthquake insurance policy is required.

“A CEA earthquake insurance policy gives Californians the strength to rebuild following an earthquake,” Pomeroy said. “We can fully cover claims even if the San Francisco 1906 and Northridge 1994 earthquakes were to occur again at the same time.”

The CEA offers the strength to rebuild by combing its claims-paying capacity of more than \$9 billion with the expert claims services of leading insurance providers.

For future reference, California residents must understand the limitations for possible federal assistance following a damaging earthquake. If an area with damage is declared a disaster, for example, FEMA grants – up to about \$30,000 in assistance – may not be enough to replace a damaged structure. Residents also should understand that SBA loans – limited to \$200,000 for structural repairs and \$40,000 for personal property – must be repaid.

People with CEA insurance who experience earthquake damage should contact their residential, condominium or renter insurance agents or companies to file claims. A list of toll-free telephone numbers for insurance companies that sell and service CEA insurance is available at [www.EarthquakeAuthority.com](http://www.EarthquakeAuthority.com).

*The CEA is a publicly managed, largely privately funded organization that provides residential earthquake catastrophe insurance and encourages Californians to reduce their risk of earthquake loss. It currently has more than 800,000 policyholders, representing about 70 percent of the California earthquake insurance market.*