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**California Earthquake Authority (CEA) ready to pay claims
for residential damage from Baja earthquake**

SACRAMENTO – The California Earthquake Authority (CEA) estimates that about 100,000 of its policyholders in the Southern California area may have felt shaking from Sunday’s 7.2-magnitude quake in Baja, California. El Centro and Calexico are the largest cities that may have experienced the greatest shaking.

“We will be working closely with our participating insurance companies to promptly process any claims under CEA policies,” said CEA CEO Glenn Pomeroy. “We are fully prepared and funded to cover all eligible claims.”

The CEA has claim-paying capacity of more than \$9 billion. It can fully cover claims even if the San Francisco 1906 and Northridge 1994 earthquakes were to occur again at the same time.

“This serves as a reminder of the earthquake risk that Californians face every day,” Pomeroy said. “California is home to about two-thirds of the nation’s earthquake risk, with about 2,000 known faults throughout the state, yet only 12 percent of its homeowners with a fire policy also are covered for earthquake damage.”

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

They also should know that FEMA grants – up to about \$30,000 in assistance, with a limit of \$5,000 for structural repairs – may not be enough to replace their damaged structure. And finally, residents 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 experienced or suspect 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.

The California Earthquake Authority is a publicly managed, largely privately funded organization that provides residential earthquake catastrophe insurance and encourages Californians to reduce their risk of earthquake loss. By law, the CEA’s rates must allow it to remain financially sound and cover claims. It currently has more than 800,000 policyholders, representing about 70 percent of the California earthquake insurance market.