



Earthquake Insurance Shopping Resources for Homeowners

To make an educated decision about insuring your home against the risk of an earthquake, you'll need to get a few quotes from competing insurers. Read UP's buying tips to get a sense of the dollar amounts and types of coverage you want, write them down on a piece of paper, then call around or use the Internet to get "apples to apples" premium quotes from competing insurance companies. The basic categories are: **Dwelling, Contents, Garages, Fences, Pools, Outbuildings, Building Code Compliance, Temporary/Additional Living Expenses.**

Your options are very limited so it's much easier than shopping for auto or homeowners coverage. There are only a few companies selling earthquake insurance these days, and some are very selective about who and what they will insure.

Once you've read UP's buying tips and articles and gotten the premium quotes, you can make the right decision for you, your family and your property. Your buying options vary according to:

1. **Where** your property is located
2. The **age** of your property
3. The **style** of construction
4. The **company** that is currently insuring the property for fire, etc.
5. Whether you own a condominium, mobile home, or are a renter.

Check UP's links to Internet Shopping Resources to find sites that help you get quotes online. The following are the primary options for California property owners:

The California Earthquake Authority: www.earthquakeauthority.com

(877) 797-4300 The CEA is a part-public, part-private company that was created by the Legislature to solve what might have been a temporary period of unavailable, unaffordable quake policies after the 1994 Northridge earthquake. By creating the CEA the legislature changed the EQ insurance marketplace

permanently, so we'll never know if the problem would have solved itself naturally over time through competitive forces.

Insurance companies like State Farm, Allstate, Farmers and CSAA that no longer sell their own EQ policies to CA customers are required by law to participate in the CEA. The CEA is managed by a professional staff, but the participating private insurance companies are involved in issuing the policies, collecting premiums and servicing claims.

The CEA is now the only option for many California property owners who want to buy quake coverage. It is working hard to lower its rates, improve its products and give consumers more options while strengthening its claims-paying capacity and finance structure. We recommend getting a quote for a CEA policy before you make your decision.

Arrowhead: www.arrowheadgrp.com 1 (877) 233.9722 Sells "stand-alone" EQ coverage not tied to your property insurance to select customers who meet their guidelines. Arrowhead does not offer EQ insurance to renters.

GeoVera Insurance: www.geovera.com 1 (800) 324-6020 Sells "stand-alone" EQ insurance. This company is owned by Pacific-Select. They do not have an age requirement for buildings. They do not sell EQ insurance to renters.

Other Non-CEA insurers/ The company currently insuring your property. If the company that insures your home now is not a CEA participating company, (Fireman's Fund, Safeco, Chubb e.g.) they must by law offer to sell you EQ coverage — in most cases, a "mini-policy" with very basic, minimal limits.

United Policyholders is a national 501(c) (3) non-profit organization serving insurance consumers since 1991. UP helps solve insurance problems and advocates for fairness in insurance transactions. The organization is funded by foundation grants and donations. Our work is divided into 3 program areas: Roadmap to Recovery™, Roadmap to Preparedness, and Advocacy and Action. We offer free tips, information and resources in print and online at <http://www.uphelp.org>.

The information presented in this publication is for general informational purposes, and should not be taken as legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the "Find Help" section of <http://www.uphelp.org>. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors or professionals identified at our website. United Policyholders respects and protects the privacy of all individuals who communicate with us. We do not sell or share our membership or mailing lists.

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