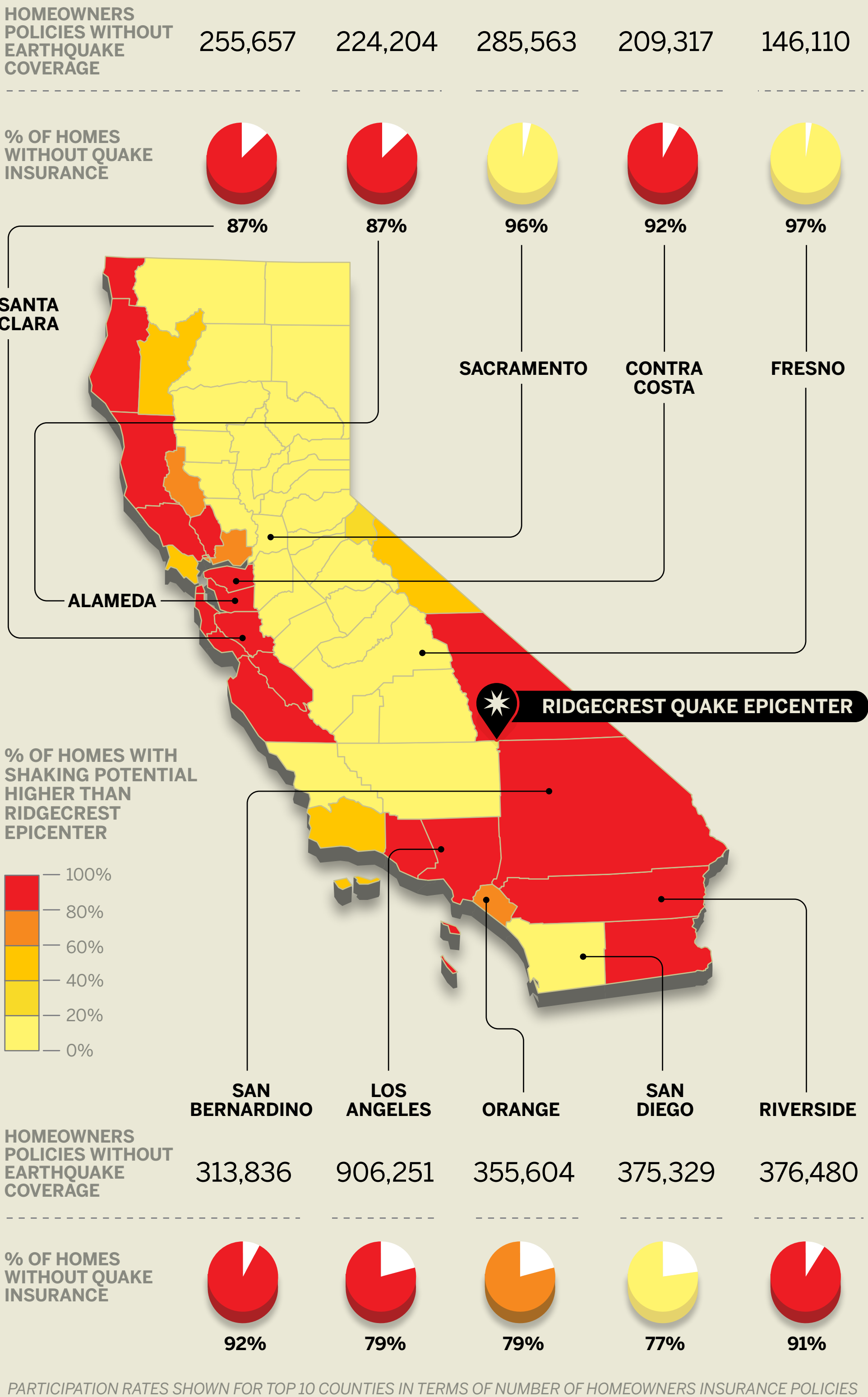


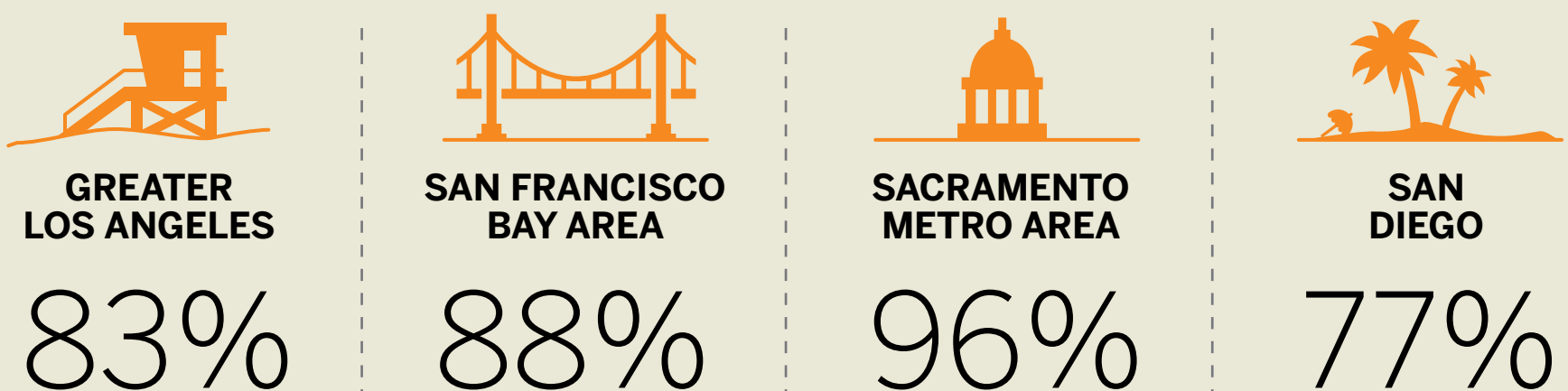
California homes lack earthquake insurance, even in the highest-risk areas

The recent magnitude 6.4 earthquake that struck Ridgecrest, CA, and the 7.1 magnitude quake that followed shortly thereafter, were the most powerful to hit California since 1999. Milliman research shows that while nearly all homeowners in California's most-populated areas have higher earthquake risk than the Ridgecrest area, the vast majority of these homeowners still do not have earthquake insurance.

CALIFORNIA EARTHQUAKE RISK AND INSURANCE PARTICIPATION RATES BY COUNTY



HOMES WITHOUT EARTHQUAKE INSURANCE BY CITY



Statewide, 61% of single-family homes have a shaking potential at least as high as Ridgecrest.



OTHER CALIFORNIA PERILS



WILDFIRE

Typically covered by insurance. However, after the major fires of the last two years, carriers may be restricting exposure via non-renewals and price increases.



FLOOD

Not covered in standard homeowners policies. Although California is not known for flood risk, it has the potential for devastating inland floods.