



NEWS

**STATEMENT BY DAN DUNMOYER, PRESIDENT
PERSONAL INSURANCE FEDERATION OF CALIFORNIA
CONCERNING STATE TREASURER PHIL ANGELIDES COMMENTS TODAY
AT THE CALIFORNIA EARTHQUAKE AUTHORITY BOARD MEETING**

IMMEDIATE

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Sacramento, CA (April 28, 2005) -- The Personal Insurance Federation of California (PIFC) member companies first want to thank the California Earthquake Authority (CEA) Governing Board, comprised of the Governor, State Treasurer and Insurance Commissioner, for diligent work over the past nine years. They have made the CEA, a publicly managed, privately financed entity, the most respected disaster insurance company in the world. Its financial strength and stability are admired throughout the insurance industry.

PIFC is befuddled at the State Treasurer's comments today calling into question CEA's credit rating, in light of the fact that the CEA has never been more financially sound. The insurance industry has obtained the services of a nationally respected independent financial advisor and actuary, Bob Downer, who has not only reviewed the financial stability of CEA, but has also produced financial projections to conclude that the CEA is a superbly run and financially sound insurance company for today and in the future.

The Treasurer's comments suggest that the CEA contract respected today will be jeopardized in the future. These comments are extremely troubling and not true. As a fiduciary for CEA funds, we are shocked by the Treasurer's criticism. We hope that we will be able to work with the CEA Board to alleviate any questions concerning CEA's financial stability.

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