FAD-204 (12/09)
California Department of Insurance

INSURER CLIMATE RISK DISCLOSURE SURVEY
For Calendar Year 2010

Due Date: **May 1, 2011**

Company Name: CALIFORNIA CASUALTY & FIRE INSURANCE COMPANY
NAIC No. 27464 **NAIC Group No. 0033** **Domiciled State: CA**
CA Direct **Nationwide Direct**
Premiums Written $0 **Premiums Written $ 4,607,242**
Survey Questions

1. Does the company have a plan to assess, reduce or mitigate its emissions in its operations or organizations? If yes, please summarize.

Answer: No

2. Does the company have a climate change policy with respect to risk management and investment management? If yes, please summarize. If no, how do you account for climate change in your risk management?

Answer: See responses to question # 5 and # 8

3. Describe your company's process for identifying climate change-related risks and assessing the degree that they could affect your business, including financial implications.

Answer: Our approach is to focus on avoiding loss situations up-front through effective utilization of underwriting and acceptability guidelines. By way of example, nearly 10 years ago, we elected to write auto-only in coastal states which reduced our hurricane exposure to a manageable level.

4. Summarize the current or anticipated risks that climate change poses to your company. Explain the ways that these risks could affect your business. Include identification of the geographical areas affected by these risks.
Answer: See reponse to question # 8.

5. Has the company considered the impact of climate change on its investment portfolio? Has it altered its investment strategy in response to these considerations? If so, please summarize steps you have taken.
Answer: California Casualty is well-capitalized and has a very conservative investment portfolio. Accordingly, we are well-positioned to support our underwriting risks, including catastrophes resulting from climate change. We have no explicit changes to our investment startegy in response to the perceived impact of climate change.

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6. Summarize steps the company has taken to encourage policyholders to reduce the losses caused by climate change-influenced events.
Answer: To the extent climate change could increase the risk of wildfires, we have periodically sent mailings to customers located in high wildfire risk areas, advising them of the benefits of maintaining defensible cleared space around their homes. Similarly, to the extent climate change could increase the risk of floods, either from heavier rains inland or from more frequents storms offshore, we do offer flood insurance via California Casualty Agency Services, and we have flood related information on our website.

7. Discuss steps, if any, the company has taken to engage key constituencies on the topic of climate change.
Answer: See response to question # 6.

8. Describe actions your company is taking to manage the risks climate change poses to your business including, in general terms, the use of computer modeling.
Answer: We don't expect that climate change will materially impact our business. We will continue to mitigate our risks (e.g., not writing homeowner policies in coastal states) as they emerge.

California Casualty models a number of perils (fire-following EQ, tornato/hail, winter storm, and hurricane) which could be affected by climate change. However, these models do not reflect the affects of climate change in the probabilistic results. Given our geographical diversification and premium volumne, we don't expect that climate change will have a material impact on the way we structure our catastrophe reinsurance program.