

TITLE 10. Investment**Chapter 5. Insurance Commissioner****Subchapter 3. Insurers****Article 3. Annual Statements****§2307. California Earthquake Zoning and Probable Maximum Loss Evaluation Program.****§2307. California Earthquake Zoning and Probable Maximum Loss Evaluation Program.**

• [Note](#) • [History](#)

All insurers transacting property insurance in this State must record earthquake liabilities written in this State and develop statistics in accordance with the instructions contained in the Insurance Department, California Earthquake Liability Report Form.

Insurers specializing in the writing of unique or unusual risks may report on forms and plans that are submitted to the Insurance Department and found to be compatible with the uniform form. Exceptions will be granted only where compatibility is clearly demonstrated by the insurer.

(a) Insurers must provide their reinsurers zone, construction, PML and deductible information on the same basis and format as they submit to the Insurance Department for liabilities ceded under each reinsurance treaty other than catastrophe treaties. Reinsurers shall combine this information with their own facultative recordings for a total aggregate probable maximum loss estimate on their writings.

(b) Insurers writing risks under excess of loss, loss limit, aggregate, stop loss or similar covers must report the following information:

1. Zone designation
 2. Company aggregate limit
 3. Net probable Maximum Loss Insurers are expected to develop and maintain information on methodology of determining Net Probable Maximum Loss for review by the Department's examiners.
- (c) Reports shall be filed with the Commissioner as an Addendum to the insurer's Annual Statement as of December 31st of each calendar year and shall be due June 30th of the following year. The first Earthquake Liability Report shall be due June 30, 1980, for the year ending December 31, 1979, and shall cover only policies written and effective on or after January 1, 1979.

NOTE

Authority cited: Sections 923 and 923.5, Insurance Code.

HISTORY

1. New section filed 8-15-78; effective thirtieth day thereafter (Register 78, No. 33).
2. Technical amendment to original filing of section filed 8-17-78 (Register 78, No. 33).