



Rules for Participation in the CEA Brace + Bolt Program



About CEA BB

California Earthquake Authority (CEA), a privately funded, publicly managed, public instrumentality of the State of California, offers its policyholders seismic retrofit grants through the CEA Brace + Bolt (CEA BB) Program. CEA developed the CEA BB program to help its policyholders reduce the risk of damage to their older houses during an earthquake with a code-compliant brace and bolt retrofit. A seismic retrofit strengthens an older house, making it more resistant to earthquake activity such as ground shaking and soil failure.

The seismic retrofitting is performed in accordance with California Existing Building Code Chapter A3 (“Chapter A3”) and involves (1) bolting the house to its foundation and (2) bracing, as necessary, the perimeter of the crawl space.

Policyholders who own houses with characteristics suitable for this type of retrofit may be eligible for an incentive payment of up to \$3,000 to help pay costs associated with the retrofit of their houses.

DISCLAIMER:

An earthquake or other natural disaster can occur at any time. CEA provides monetary grants to assist qualified homeowners in securing structural home improvements in an effort to reduce (but not eliminate) damage or collapse in the event of an earthquake.

Anyone who accesses the information on the CEA website (www.earthquakeauthority.com) acknowledges and accepts that CEA is not offering technical earthquake or seismic engineering advice with regards to any specific home; that the information on the website is intended solely as general educational information regarding the potential benefits of homeowners interested in earthquake safety, and that none of the information may or should be construed as a guarantee of the efficacy of any particular seismic retrofit or service provider.

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Introduction

These Rules for Participation (“Rules”) govern the operations of the **CEA Brace + Bolt (CEA BB) Program**, a program of the California Earthquake Authority¹ for select CEA residential policyholders. These Rules are binding on all policyholders, contractors, and licensed design professionals who participate in the CEA BB program.

These Rules may be amended at any time, and the amended Rules become effective upon being posted on CEA’s website (www.earthquakeauthority.com). All definitions provided in these Rules apply to these Rules and to the CEA BB program documents and to content on CEA’s website.

By participating in the CEA BB program, Policyholder must acknowledge and agree to release CEA of and from any and all manner of suits, liabilities, losses, damages, and claims, related to or arising out of or in any way related to Policyholder’s participation in the CEA BB program, including but not limited to, Policyholder’s receipt of a grant from the CEA BB program.

¹ A public instrumentality of the State of California.

Section 1 – Policyholders and the CEA BB Program

1.1 Official Source of CEA BB Program Information

The CEA BB program is described on CEA’s website, www.earthquakeauthority.com. Information about the CEA BB program may be available from other sources, but the website is the only official source of information about the CEA BB program.

1.2 Qualifying Policyholders

Qualifying Policyholders are those policyholders that are invited to participate in the CEA BB program. Invitations will be sent to select CEA policyholders that own a dwelling that is insured with the CEA, is rated as pre-1980 construction with a raised or “other” foundation type in determining the CEA premium, and is located within one of the 714 zip codes identified by CEA staff. To qualify, the house must also be insured by a CEA policy with a 5% or 10% deductible (either currently insured with a 5% or 10% deductible or so insured immediately prior to CEA’s elimination of the 5% or 10% deductible).

1.3 Grants

The CEA BB program offers a grant of up to \$3,000 per house for a seismic retrofit done in accordance with California Existing Building Code Chapter A3 or other plan sets as set forth in Section 1.6.1 or 1.6.2 below. Qualifying Houses (see section 1.6) are accepted for participation in the CEA BB program, provided the Participating Policyholder:

- Is an eligible policyholder (see section 1.5);
- Completes a qualifying seismic retrofit in accordance with the Program Rules;
- Provides documentation as required by these Rules (see section 1.8) within the required timeline; and
- Abides by all CEA BB Program Rules.

The cost of a qualifying seismic retrofit may exceed the \$3,000 CEA BB program grant, but any and all costs associated with a qualifying seismic retrofit that are greater than the CEA BB program grant are the sole responsibility of the Participating Policyholder.

The grant referenced herein is a grant of funds, not a loan, and does not have to be repaid, so long as the funds are used for purposes consistent with these Rules. Additionally, the grant may constitute taxable income to the Participating Policyholder (see section 1.11).

1.4 Qualifying Seismic Retrofit

Only a seismic retrofit done which meets or exceeds the requirements of California Existing Building Code (CEBC) Chapter A3 qualifies for the CEA BB program.

Participation in the CEA BB program requires a Chapter A3 retrofit to be done by a California Licensed General Building Contractor (License Type A or B: NOTE: License B-2 is not eligible to do retrofit work) or by an owner-builder, either using

a standard plan set for Type 1 Qualifying Houses (see section 1.6), or using plans prepared by a registered Licensed Design Professional (defined herein as an engineer or architect) for Type 2 Qualifying Houses (see section 1.6.2). (Note: The value of the labor provided by an owner-builder is not a recoverable cost under the CEA BB program and is not considered a reimbursable out-of-pocket expense.)

No Partial Chapter A3 Retrofits are permitted: All retrofits, including engineered solutions, must be in accordance with Chapter A3, which means the retrofit must strengthen all structural weaknesses identified in Chapter A3. The qualifying CEA BB program retrofit must meet or exceed the Chapter A3 requirements for both sill plate anchorage and cripple wall bracing (if cripple walls are present). For example, a retrofit that includes new sill plate anchors but does not brace existing cripple walls will not qualify for the CEA BB program grant.

In addition to the seismic retrofit, the water heater must also be properly strapped. During an earthquake, unsecured water heaters often fall over, rupturing rigid water and gas connections—strapping the water heater will reduce the likelihood of water and fire damage. *Note: Incentives for water heater strapping are only eligible for Program benefits when bracing (if cripple walls are present) and bolting are also being performed on the house.*

There may be other code requirements (e.g., installation of smoke and carbon monoxide detectors) when a permit is obtained for residential construction; work performed to meet such other code requirements does not qualify for CEA BB program grant payments.

The seismic retrofit permit must be issued, only after acceptance into the CEA BB program, and the retrofit work must not start before pre-retrofit documents and photos are approved by CEA. Retrofit construction work started (whether or not completed), including the issuance of a residential construction permit for retrofit work, before the date of official acceptance into the Program will make the retrofit wholly ineligible for a CEA BB program grant.

1.5 Eligible Policyholders

“Eligible Policyholder” for purposes of CEA BB program requirements means that the policyholder must:

- (a) be an owner of record on the deed;
- (b) have an in force and active CEA insurance policy on that house while participating in the CEA BB program;
- (c) have a valid email address or have access to a valid email address from which they can send and receive email messages;
- (d) be invited by CEA to participate; and
- (e) register for the CEA BB program by using the owner’s legal name.

1.5.1 Eligible Policyholders—Houses Held in Trust

If the Qualifying House (See Section 1.6) is owned by or otherwise held in a trust, then the named trustee must satisfy the following requirements to participate in the CEA BB program:

- (a) provide evidence they are a trustee of the trust that owns the Qualifying House;
- (b) register for the CEA BB program using their legal (trustee) name; and
- (c) provide an IRS W-9 form that shows their name as trustee and their Social Security number or Individual Taxpayer Identification Number (ITIN).

1.5.2 Eligible Policyholders—Houses Held in Limited Liability Company (“LLC”)

If the Qualifying House (See Section 1.6) is owned by or otherwise held in a LLC, then one of the named Members must satisfy the following requirements to participate in the CEA BB program:

- (a) provide evidence they are a Member of the LLC that owns the Qualifying House; and
- (b) registers for the CEA BB program application using their legal (LLC) name.

1.6 Qualifying Houses

There are two types of Qualifying Houses, and each Qualifying House must satisfy all of the following requirements and be either a Type 1 or Type 2 Qualifying House. The requirements are:

- (a) meet California Existing Building Code, Chapter A3, specifications;
- (b) built before 1980 and sit on level ground or a low slope;
- (c) be a detached residential building composed of one to four dwelling units, with a continuous, raised-perimeter foundation;
- (d) no Chapter A3 brace-and-bolt retrofit has been started or completed before the date of acceptance into the CEA BB program;
- (e) no grant payment from any other earthquake-retrofit grant program has been received previously for the legal parcel, including from CEA or the California Residential Mitigation Program (CRMP); and
- (f) any structural damage must be repaired in accordance with local building code requirements before a house is eligible for a CEA BB program grant payment. CEA BB program funds are to be applied toward preventative work and not for repair.

Mobile homes and manufactured homes do not qualify for the CEA BB program.

1.6.1 Type 1 Qualifying House

The Type 1 Qualifying House, may or may not have a cripple wall present, (defined as a wood-frame stud wall extending from the top of the foundation to the underside of the lowest floor framing). If cripple walls do exist, they may not exceed 4 feet in height in any part of the crawl space. In addition, the Type 1 Qualifying House must not:

- (a) have a lateral-force-resisting system that uses poles or columns embedded in the ground;
- (b) exceed three stories in height or be a three-story house with cripple wall studs that exceed 14 inches in height;
- (c) be constructed in whole or in part on concrete slab(s)-on-grade *; or
- (d) be classified by the local building department as a house required to be retrofitted with plans prepared by a licensed design professional.

The local building department can approve a Type 1 Qualifying House retrofit to be performed using a standard plan set for Chapter A3 retrofits, such as the Los Angeles Standard Plan Number One or the ABAG (Association of Bay Area Governments) Plan Set A (sometimes called ABAG Plan Set A). FEMA P-1100 may also be used if allowed by the local building department.

** A local building department may determine that a house can qualify as a Type 1 Qualifying House if a portion of the house is constructed on a concrete slab-on-grade and the retrofit work is limited to the remainder of the house.*

1.6.2 Type 2 Qualifying House (Plans Prepared by Licensed Design Professional)

Chapter A3 requires that a Type 2 Qualifying House be retrofitted according to plans prepared by a licensed design professional, who must sign the plans and certify in writing that the plans conform to Chapter A3. The Type 2 Qualifying House has one of the following characteristics:

- (a) a cripple wall that exceeds 4 feet in height but not taller than 7 feet (for this characteristic only, if FEMA P-1100 is used, it may not be necessary to use a licensed design professional, in which case no written certification is required); or
- (b) a lateral-force-resisting system using poles or columns embedded in the ground; or
- (c) exceeds three stories in height; or
- (d) is a three-story house with cripple wall studs exceeding 14 inches in height; or

- (e) is constructed in whole or in part on concrete slab(s)-on-grade; or
- (f) is classified by the local building department as a house required to be retrofit with plans prepared by a licensed design professional.

1.7 Registering for CEA BB Program

The policyholder must register through www.earthquakeauthority.com or request and submit a paper application. The policyholder must register by the registration deadline defined in the invitation to participate.

By answering the CEA BB program qualification questions during registration, the policyholder can determine whether the house is a Qualifying House (see section 1.6) and that the person registering and answering the questions is an Eligible Policyholder (see Section 1.5).

The person registering and answering the CEA BB program qualification questions must be the CEA Policyholder of the house for which the application is made. (see Section 1.5)

If the house is a Qualifying House and the Policyholder is an Eligible Policyholder, the Policyholder will be permitted to complete registration, add contact information, and authorize CEA to send text alerts when important email communications are sent.

If the house is not a Qualifying House or if the Policyholder is not an Eligible Policyholder, the Policyholder may sign up for future CEA BB program mailings and program updates but is not eligible to receive a CEA BB program grant.

CEA is aware that houses may be owned by more than one person. CEA does not undertake, and is not responsible for confirming, that a house is owned solely by the person applying to the CEA BB program or owned with others, or whether the person applying to the CEA BB program is authorized to perform or authorize the performance of seismic-retrofit work on the house. It is the sole responsibility of each Participating Policyholder to make sure that any and all co-owners have been notified of, and agree to the performance of, the seismic retrofit in connection with the CEA BB program.

At the time CEA sends the invitation to participate, CEA also determines in its sole discretion the number of Participating Policyholder grants it will award.

Inaccurate information provided during registration regarding the Qualifying House or Eligible Policyholder may be cause for withdrawal from eligibility for the CEA BB program.

1.7.1 Acceptance as a CEA BB Participating Policyholder

Once policyholder registration is complete, qualified policyholders will be notified by email that they are eligible to participate in the CEA BB program. To remain eligible for the grant, **retrofit construction work must not begin before the Participating Policyholder receives approval from CEA for retrofit work to proceed.**

Each Participating Policyholder will have an online “Policyholder Dashboard” to upload all required project documentation and required photographs.

Participating Policyholders must continue to maintain a CEA Policy for the house registered in the CEA BB program through the entirety of the retrofit process to be eligible to receive the grant payment.

1.8 Required Documentation for Grant Payment

Participating Policyholders are required to submit documents within the required timeline described in Sections 1.8.1 and 1.8.2 to CEA via the Policyholder Dashboard to qualify for the grant.

If a Participating Policyholder hires a Participating Contractor from the CRMP Contractor Directory, which can be accessed online through the CEA’s website [CRMP’s Contractor Directory](#), the Policyholder may authorize that licensed contractor to submit retrofit documentation on behalf of the Participating Policyholder by following the instructions on the Policyholder Dashboard.

1.8.1 Before the Retrofit Begins

Within 90 days (or three (3) months) of receiving the email from CEA confirming eligibility, the Participating Policyholder must do all the following using their online Policyholder Dashboard:

- (a) Indicate whether the project will be constructed by the Participating Policyholder as an owner-builder or by a California licensed general contractor. If the Participating Policyholder is going to hire a contractor to do the retrofit work, the contractor must be a California licensed general contractor with a type A or B license (NOTE: License B-2 is not eligible to do retrofit work). CEA offers access to CRMP’s Contractor Directory on its website that includes a list of licensed contractors who have completed FEMA training for performing residential seismic retrofit work. CEA recommends, but does not require, selecting a Contractor from this directory.
- (b) If hiring a licensed contractor, the Participating Policyholder must obtain and submit a bid from a California licensed Contractor. Bid(s) must include the entire cost of the retrofit including the cost of the building permit.
- (c) Obtain and upload **a building permit issued after acceptance into the CEA BB program** from the local building inspection department (actual names

of these departments vary from locality to locality). The building permit must be solely for the seismic retrofit work and may not include other work on the premises. For example, remodeling or other construction work must be on a separate permit. The building permit must include the following information:

- If the house is a Type 1 Qualifying House, the building permit must state that the seismic retrofit is to be performed in accordance with Chapter A3 or in accordance with an accepted standard plan set.
- If the house is a Type 2 Qualifying House, the building permit must state that the seismic retrofit is to be performed in accordance with Chapter A3 using plans prepared by a Licensed Design Professional.
- **The wording on building permits varies, but the criteria immediately above apply to every permit for every Qualifying House.**

(d) Upload Plans/Drawings. When submitting Los Angeles Standard Plan Number One or Standard Plan Set A for the retrofit, **highlight or circle the section/detail being used.**

(e) Take and upload six (6) photographs:

- Three (3) in the basement or crawl space showing the cripple walls, if present, and the foundation.
- Three (3) of the exteriors of the house: one (1) showing one side of the house, one (1) showing only the front of the house, and one (1) showing only the other side of the house.

(f) Provide a completed and signed IRS W-9 form.

(g) Review local County Assessor's or State Board of Equalization's website regarding any pre-construction requirements concerning the seismic retrofitting construction exclusion from assessment provided by section 74.5 of the California Revenue and Taxation Code.

Once all of the required pre-retrofit documents and photos are uploaded and approved, CEA will inform the Participating Policyholder that the retrofit work may begin and that they have six (6) months from that day to complete their retrofit.

To remain eligible for the grant, retrofit construction work must not begin before the Participating Policyholder receives approval for retrofit work to proceed from CEA.

1.8.2 After the Retrofit is Complete

The seismic retrofit must be completed within 180 days (or six (6) months)

after the date of receiving approval to start the retrofit job from CEA. Participating Policyholders must have a current CEA Policy for the house that was retrofitted to be eligible to receive the grant payment from CEA. Within 30 days after completion of the retrofit, the following items must be submitted to CEA using the online Policyholder Dashboard:

(a) Signed Building Permit

- A copy of the building permit signed by the building inspector after final inspection.

(b) Six (6) photos:

- Three (3) showing the completed retrofit work taken in the crawl space from the same locations as the “before” photos and showing the cripple walls, if present, and the completed retrofit work. Photos must clearly depict the completed retrofit work.
- Two (2) of the strapped water heater: one (1) taken from the front and one (1) from the side at an angle showing the water heater has been strapped with two (2) straps that wrap completely around it and are screwed into the studs or masonry of the wall. If the Participating Policyholder has a tankless water heater, it must be secured according to the building code and two (2) photos provided.
- One (1) showing the access to the crawl space including something to show scale (such as a ruler or yardstick).

(c) An electronically completed and approved Payment Authorization Form must state whether the grant payment should be sent to the Participating Policyholder or to the Contractor.

(d) A final invoice(s) and receipt(s) (not the contractor’s initial bid or proposal) for retrofit-related expenses must be submitted by a Contractor and include:

1. Date submitted to Participating Policyholder;
2. Contractor contact information, including Contractor’s California license number;
3. Date(s) retrofit work performed;
4. A brief description of the work completed (e.g., seismic retrofit of home for CEA BB program or seismic bracing and bolting of residence in accordance with CEBC Chapter A3).
5. Cost of labor per hour and number of hours worked;
6. Cost and types of materials used;
7. Amount of overhead and profit;
8. If services of a Licensed Design Professional were required, the cost of those services must be included;

9. A statement of whether the invoice has been partially or fully paid and indicate whether the payment will be sent to the Participating Policyholder or to the Contractor; and
 10. The invoice may include only CEA BB program charges related to specific retrofit work.
- (e) If the Participating Policyholder performed the work as an owner-builder, the Policyholder must submit legitimate and legible receipts to verify out-of-pocket "House Retrofit Expenses," which may include the building permit fee and the cost of materials and rented equipment used for the retrofit project.

The purchase of tools is not an expense that is reimbursable by CEA. Check the website, www.earthquakeauthority.com, for more details about allowable expenses.

1. Receipts must show the vendor's name, address, phone number and the date(s) of the equipment rental and purchase(s) of materials.
2. The value of labor provided by an owner-builder is not a recoverable cost under the CEA BB program and is not considered a reimbursable out-of-pocket expense.

Grants will not be provided if a Contractor is not in good standing with the Contractors State License Board or appears on the state or federal debarment list.

1.8.3 Additional Conditions Regarding Documentation

- (a) The Participating Policyholder must confirm that he or she has reviewed and is fully responsible for the accuracy of all the documentation submitted to CEA including documentation submitted by a licensed contractor on behalf of the Participating Policyholder.
- (b) CEA will reject incomplete documentation and will make reasonable efforts to promptly advise the Participating Policyholder to complete and re-submit the required documentation.
- (c) Failure to submit complete, required documentation to CEA may render the Participating Policyholder ineligible for a CEA BB program grant payment.
- (d) The CEA Chief Mitigation Officer, in their respective sole discretion, may waive any requirements or extend any time limits stated in Sections 1.7 and 1.8 and their Subsections.

1.9 Eligibility for Hazard Reduction Discount on CEA Premium

Once the qualifying retrofit is complete, CEA will issue the Participating

Policyholder a certificate verifying eligibility for a premium discount of up to 25 percent on a CEA earthquake insurance policy. The Participating Policyholder is responsible for submitting this certificate to their homeowners insurance company. For more information about the Hazard Reduction Discount, please call 888.423.2322 or contact your homeowners insurance company.

1.10 Retrofit Inspections

As a condition of payment approval or for quality assurance purposes, CEA reserves the right to inspect, upon reasonable notice to the Participating Policyholder, the seismic retrofit work performed on any Qualifying House.

1.11 Payment and Tax Reporting

Grant payments typically will be mailed within four (4) weeks following final approval by CEA.

The grant will be reported as taxable income to the Participating Policyholder on IRS Form 1099-G. Grant payments in the CEA BB program are not subject to state income taxation.

Participating Policyholders are responsible for the payment of all taxes related to or arising from the grant payments made under the CEA BB program. Each Participating Policyholder is encouraged to seek appropriate professional advice on the federal and state tax implications of their receiving the CEA BB program grant payment and whether the grant payment will affect eligibility, income thresholds or limitations, or other issues relating to any healthcare or other program of interest to the Participating Policyholder.

1.12 Program Communications

CEA BB program communications will be delivered to Participating Policyholders by email, except for the Participating Policyholder Guide, which may be sent by U.S. Postal Service mail or email. Participating Policyholders may also opt in to receive text alerts to notify them of important email communications.

CEA and the CEA BB program are not (a) responsible or liable for any email communications that are missed, scrubbed, or filtered by anyone's computer system or email functions, or (b) responsible or liable for any communications that are missed, lost, damaged, misdirected, or otherwise not delivered or received through use of U.S. Postal Service mail. CEA and the CEA BB program have no obligation to provide other forms of communication.

Section 2 – Participating Contractors, Contractors and Licensed Design Professionals

Participating Contractors are contractors listed on the [CRMP's Contractor Directory](#), access to which is available on CEA's website.

Participating Contractors, contractors and Licensed Design Professionals hired by Participating Policyholders are not selected by, approved by, governed by, or in any way the responsibility of CEA or the CEA BB program.

The appearance of any Participating Contractor or Licensed Design Professional on the CRMP Contractor Directory or the [CRMP Design Professionals Directory](#), access to which is available on the CEA website, is not an endorsement or approval by CEA or the CEA BB program.

CEA and the CEA BB program hereby disclaim any and all obligation to maintain, keep current, or monitor the CRMP Contractor or CRMP Licensed Design Professionals Directory or monitor the licensing, financial condition, contracts, or competence of any Participating Contractor listed on the CRMP Contractor or CRMP Licensed Design Professionals Directory or of any Contractor or Licensed Design Professional hired by a Participating Policyholder.

DISCLAIMER:

Neither CEA nor the CEA BB program is liable or in any way responsible for the use of this information, nor do they endorse, warrant, guarantee, attest to or insure, any of the following:

- **acts, errors or omissions of homeowners, public officials, contractors or design professionals;**
- **the content of any communications between homeowners, public officials, contractors and design professionals;**
- **the ability or experience of contractors or design professionals to provide services;**
- **the results of work performed, or not performed, by homeowners, public officials, contractors or design professionals;**
- **that a homeowner, public officials, contractor or design professional will complete services, conduct any transaction, or perform with any specific standard of care; and**
- **any public official's involvement approving plans, close out of permits, completing inspections or other actions.**

All parties are advised to educate themselves on the background, experience and reputation of contractors or design professionals before starting any project.

For Policyholders to remain eligible for the \$3,000 grant, Participating Contractors and Design Professionals must not begin retrofit construction work before the Participating Policyholder receives approval from CEA for retrofit work to proceed.

2.1 Contractor Directory

The CRMP Contractor Directory, access to which is available through the CEA's website, is a list of California Licensed General Building Contractors (License Type A or B NOTE: License B-2 is not eligible to do retrofit work) that meet specified requirements as stated in CRMP's Earthquake Soft-Story Program: Rules for Participation, a copy of which is available on CRMP's website (www.californiaresidentialmitigationprogram.com).

For information about how to be included on, and how to remain listed on the CRMP Contractor Directory or the CRMP's Licensed Design Professionals Directory, please refer to the CRMP's website.

CEA offers access to the CRMP Contractor Directory on its website as a convenience and a resource for Participating Policyholders – the listing in that Directory of a contractor who has become a Participating Contractor does not constitute CEA's endorsement, approval, or recommendation of that Participating Contractor.

CEA has no obligation to maintain, keep current, or monitor licensing, financial condition, contracts, or competence of any Licensed Design Professional listed in the CRMP Design Professional Directory or any other Licensed Design Professional hired by a Participating Policyholder.

Grants will not be provided if a Participating Contractor or any contractor hired by a Participating Policyholder is not in good standing with the Contractor's State License Board and/or is on the state or federal debarment list.

2.2 Licensed Design Professionals (e.g., engineers, architects) must:

- (a) Ensure all submissions (e.g., plans, design, letters) completed for a CEA BB program retrofit are in accordance with Chapter A3 of the CEBC;
- (b) Ensure a stamped and signed letter is provided to the Policyholder or Participating Contractor or any licensed contractor hired by a Participating Policyholder affirming the retrofit plans are in accordance with Chapter A3 of the CEBC; and
- (c) Maintain an active license.

Section 3 – Dispute Resolution

By applying to participate or participating in the CEA BB program, Policyholders, Participating Policyholders, Participating Contractors, contractors, and Licensed Design Professionals agree to resolve any dispute or controversy with, or claim against, CEA or the CEA BB program according to the Terms of Use posted on CEA's website.

3.1 Informal Procedure

In the event a controversy or claim arises out of the use of the CEA website or participation in the CEA BB program, a Policyholder, Participating Policyholder, Participating Contractor, contractor, or Licensed Design Professional may contact CEA and discuss the matter informally with the CEA's Chief Mitigation Officer or a designee. If the controversy or claim is not resolved through that discussion, any party who still feels aggrieved may send a letter to the CEA's Chief Mitigation Officer.

The CEA's Chief Mitigation Officer or a designee will meet, in person or by telephone, or both, with the parties within 10 business days of receipt of the letter or such longer period as may be mutually acceptable.

The CEA's Chief Mitigation Officer will provide a written statement within 20 days of the conclusion of the meeting.

Policyholders, Participating Policyholders, Participating Contractors, contractors, and Licensed Design Professionals are not required to follow this informal dispute-resolution procedure and following this informal dispute resolution procedure does not prevent them from initiating the arbitration procedure described in section 3.2.

3.2 Mandatory Arbitration

By using the CEA website or by participating in any way in any CEA BB program, Policyholders, Participating Policyholders, Participating Contractors, contractors, and Licensed Design Professionals agree that any claim or controversy arising out of their use of the CEA website or participating in any CEA BB program—that is not settled or resolved by use of the Informal Procedure in Subsection 3.1—must be settled solely by arbitration administered by the American Arbitration Association in accordance with its Home Construction Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction.

In doing so, Policyholders, Participating Policyholders, Participating Contractors, contractors and Licensed Design Professionals, and each of them, acknowledge that (1) each is giving up the right to sue in court, including the right to trial by jury, except as provided by the rules of the American Arbitration Association; (2) arbitration awards are generally final and binding, and the ability to have a court reverse or modify an arbitration award is limited; (3) the ability to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings; (4) the arbitrators do not have to explain the reasons for their award; and (5) the rules of the American Arbitration Association may impose time limits for bringing a claim in arbitration. The costs of the arbitration, including any American Arbitration Association administration fee, the arbitrator's fee and costs for the use of facilities during the hearings, shall be borne by the least prevailing party to the arbitration as determined by the arbitrator.

Section 4 – Personal Information, Privacy Policy, and Terms of Use for Participants, Participating Contractors and Licensed Design Professionals

- (a) The information that CEA collects, maintains, and uses includes, but is not limited to:
- Personal information about Policyholders, Participating Policyholders, Participating Contractors, contractors (and their employees and subcon- tractors), and Licensed Design Professionals;
 - Applications for building permits and building permits;
 - Documentation of costs and materials associated with the seismic retrofit;
 - Information about houses belonging to Policyholders and Participating Policyholders; and
 - Photographs of houses and of the seismic retrofit work.
- (b) Any Participating Policyholder, Participating Contractor, Contractor or Licensed Design Professional who does not agree that the information described in Section 4 may be collected, maintained, and used for the purposes described in the Privacy Policy and Terms of Use referred to in Subsections (c) and (d) may not become or remain a CEA BB program Participating Policyholder, Participating Contractor or Licensed Design Professional.
- (c) The Privacy Policy posted on CEA’s website www.earthquakeauthority.com pertains to the information described in Subsection 4 (a); that Policy is part of and is incorporated into these Rules by this reference. The Privacy Policy may be amended at any time, and any amendment becomes effective when posted on CEA’s website.
- (d) The Terms of Use posted on the CEA BB website www.earthquakeauthority.com are binding on Policyholders, Participating Policyholders, contractors, Participating Contractors, and Licensed Design Professionals hired by Participating Policyholders; those Terms are part of and are incorporated into these Rules by this reference. The Terms of Use may be amended at any time, and any amendment becomes effective when posted on the CEA website.

Section 5 – Contact Information

Please contact CEA if you have questions.

California Earthquake Authority
801 K Street, Suite 1000
Sacramento, CA 95814

CEA Brace + Bolt Customer Service:
Phone: (800) 584-BOLT (2658)
Email: info@CEABraceBolt.com

For program details visit the CEA website at:
www.earthquakeauthority.com

CEA Brace + Bolt

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