

What Have We Seen in Claims Lately

We take great pride in our claims handling responsibilities and over the years have built a name and a reputation for providing empathetic claims service in a fair and prompt manner.

As claims management has become increasingly complex, and lines of business more diverse, we continue to follow our original claims principle: treat each customer the way we would like to be treated if we were to experience the same loss, with empathy, promptness, expertise, fairness and integrity.

With over 6,200 Chubb professionals worldwide and over 100 across Canada, including an office in Montreal with a bilingual team, we have the technical and local knowledge to expertly handle any claim.

Risk	Industry	Business	Approximate Amount	Claim Difference
Fiduciary Liability	Manufacturing	Financial Lines	\$2.1 million	Expertise in complex class action litigation
Property	Personal	Personal Lines	\$140,000	Knowledge and sensitivity to the Insured's needs
Cyber	Technology	Financial Lines	\$50,000	Prompt local and global response teams
Commercial General Liability	Machinery	Commercial Lines	\$1.2 million	Strong client advocacy
Accidental Death & Dismemberment	Specialty Risk	Accident and Health	\$40,000	Empathy and fairness in responding to a loss
Marine Liability	Personal	Personal Lines	\$425,000	Empathy and litigation prevention

Claim Scenario

✔ Fiduciary Liability

Our Insured is a large global commercial enterprise. The plaintiff was terminated by our Insured as part of a workforce reduction. He elected to retire following termination and submitted his completed pension application to receive Early Retirement Benefits. The plaintiff disagreed with his retirement benefits determination, and appealed the determination to the Plan. Ultimately, a Proposed Class Action Complaint was commenced with the plaintiff alleging violation of the Employment Retirement Income Security Act (ERISA). Chubb worked closely with the Insured towards settlement while Summary Judgment Motions were pending. Chubb's net payments for defense costs and indemnity totalled \$2,100,000.

✔ Personal Lines Property

The Insured sustained water damage to her townhouse unit as a result of a leaking water supply line to the freezer. The ensuing water damage necessitated flooring replacement in its entirety. During the course of the claim, the Insured lost their spouse. Understandably, the claim was the last thing she wanted to deal with - as she would have had to relocate during the course of repairs. The adjuster was able to work with the Insured through this difficult time and engaged one of our trusted vendors to assist. The necessary emergency mitigation work was performed promptly, and a full restoration report was completed for the Insured's review. Upon approval from both parties, the client was presented with a settlement shortly thereafter. As settlement was issued to the client directly, the Insured was able to complete repairs on her own time. The grieving client was also aware that she would be eligible for Additional Living Expenses as required, when repairs were to commence. In addition, the Insured was offered an Extra Coverage on our policy, namely the Water Detection Expense. Once the Insured had installed the Water Detection Device, we quickly reimbursed her for the incurred expense. The Insured was pleased to have the device installed to assist with preventing future occurrences.

The loss was mitigated from the outset and costs were contained to a total of \$50,000.

✔ **Cyber**

Our Insured experienced an overseas cyber breach. In this case, an officer of the company was the victim of a phishing attack, whereby the bad actors obtained access to her email account and sent falsified emails requesting money to be transferred to fraudulent accounts. The bad actors also set up a forwarding rule on her account, resulting in compromised emails, many of which included sensitive personal data of employees and customers.

After the Insured reported the incident to Chubb through our dedicated 24/7 cyber hotline, Chubb immediately responded. We retained experts from our overseas cyber panel to ensure containment of the breach and compliance with the General Data Protection Regulation (GDPR) and the country's privacy legislation. The GDPR has strict response timelines with potentially significant fines, so it was critical to promptly assess and ensure compliance for the Insured. Fortunately, our investigation concluded no fraudulent transaction actually took place and the most sensitive personal information was held under encryption. As a result of Chubb's prompt response, the loss was mitigated from the outset and costs were contained to a total of \$50,000 for legal and forensic response provider fees.

✔ **Commercial General Liability**

A building fire and explosion occurred that resulted in claims against our Insured for injuries, fatalities and property damage allegedly sustained by the claimants. The Plaintiffs alleged the Insured was negligent by failing to ensure certain equipment was operated in a safe and secure environment, and filed suit over the incident against the Insured and other involved parties.

Damages sought included \$50,000,000 in general damages and \$10,000,000 in special and pecuniary damages. Additional claims were made by families for fatalities that resulted from this incident seeking in excess of \$5,000,000. The fatality claims were settled jointly with the other defendants with Chubb contributing a fraction of the total.

Although our Insured's involvement was remote as a supplier, they were still brought into the action with two other parties. Chubb maintained a strong liability position against the other defendants throughout many years of defending the action. As trial approached no joint resolution had been reached amongst all of the parties, nonetheless Chubb was successful in settling the claim for negligence against the Insured for \$250,000 and removing them from the action.

✔ **Accidental Death & Dismemberment**

Our Insured passed away as a result of a workplace accident. The accidental death benefit was paid to the spouse. In addition to this, the following benefits were also paid: Funeral Expenses, Counselling sessions for the spouse and dependent children and the Spousal Occupational Retraining Benefit.

The following was sent in by the spouse:

"Thank you and the Chubb team for the opportunity you've given me to go back to school. It has brought life to me - and ultimately my family. I am very grateful."

Claim Scenario Details (continues from page 2)

✔ Personal Lines Watercraft

A minor fell off the back of our Insured's vessel and suffered a severe injury as a result. We responded promptly to the claim and met with the claimant's family who elected to work directly with Chubb during the claims process instead of proceeding with litigation. Chubb demonstrated exceptional empathy throughout and promptly made a \$1,000,000 settlement offer. Lawyers were only engaged by the family and Chubb to review and finalize the settlement. Chubb's claims expertise allowed us to minimize the significant expenses involved with litigation and we successfully obtained a 50% contribution towards settlement from the vessel operator's insurance company.

Contact Us

For more information on Chubb insurance solutions, contact your local broker or visit www.chubb.com/ca.

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The claim scenarios described here are intended to show the types of situations that may result in claims. These scenarios should not be compared to any other claim. Whether or to what extent a particular loss is covered depends on the facts and circumstances of the loss, the terms and conditions of the policy as issued and applicable law. Facts may have been changed to protect privacy of the parties involved. Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at www.chubb.com. In Canada, Chubb operates through Chubb Insurance Company of Canada and Chubb Life Insurance Company of Canada. All products may not be available in all Canadian jurisdictions. In the United States, insurance is provided by ACE American Insurance Company and its U.S. based Chubb underwriting company affiliates. This communication contains product summaries only. Coverage is subject to the language of the policies as actually issued. Chubb is the world's largest publicly traded property and casualty insurance group. With operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. Chubb Limited, the parent company of Chubb, is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index.