

What Has Claims Seen 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 with empathy, promptness, expertise, fairness and integrity.

With over 6,200 Chubb claims 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.
	Union		\$97,000	Close relationship with Chubb partners to investigate and mitigate exposure.
	Union		\$72,000	Strong client advocacy.
	Union		\$55,000	Empathy and fairness in responding to a loss.

Claim Scenario

✔ Manufacturing

Our Insured is a large global manufacturing company. The plaintiff was terminated by our Insured as part of a workforce reduction. She elected to retire following termination and submitted her completed pension application to receive Early Retirement Benefits. The plaintiff disagreed with her retirement benefits determination, and appealed the determination to the Plan. Specifically, she alleged that our Insured used the wrong set of interest rates, and that her retirement benefit failed to include a Cost of Living Adjustment (“COLA”). A Proposed Class Action Complaint was commenced in the United States. The Plaintiff alleged that the failure to apply the appropriate interest rates and to include a COLA adjustment, qualify as breaches of fiduciary duty and are violations of the Employment Retirement Income Safety Act (ERISA). Furthermore, the plaintiffs alleged the Insured made material misrepresentations. Chubb worked closely with the Insured towards settlement while Summary Judgment Motions were pending. Chubb’s net payments totaled \$2,100,000.

✔ Union

Our Insured is a union that represents members. The plaintiff was insured under a group disability benefits plan through the Insured and the benefits were administered by a third party. The plaintiff allegedly became totally disabled from employment as result of mental illness. The plaintiff received long- term disability benefits until they failed to cooperate with the rehabilitation plan prepared by their physicians. The plaintiff sued the Trustees of the Plan and the benefits administrator for breach of fiduciary duty, breach of contract, and breach of duty of care. The Insured conducted surveillance and was able to obtain photos of the plaintiff engaging in ordinary activities of life that were especially inconsistent with someone who is ill from a mental illness. Chubb paid a total of \$97,000 to defend the claim.

The case was settled after three years of litigation. Chubb paid a total of \$72,000 to defend the claim.

Claim Scenario Details (continues from page 1)

✔ Union

Our Insured is a union that represents members. The plaintiff was insured under a group disability benefits plan through the Insured, and the benefits were administered by a third party. The plaintiff suffered a back and neck injury that allegedly prevented them from doing their occupation. The plaintiff applied for and received short-term disability and long-term disability benefits for several years after the initial injury. The benefits administrator terminated the plaintiff's benefits because they believed that they were capable of performing light work in another occupation, such as a customer service role. Ultimately, the case was settled after three years of litigation. Chubb paid a total of \$72,000 to defend the claim.

✔ Union

Our Insured is a union that represents members. The plaintiff was insured under a group disability benefits plan through the Insured and the benefits were administered by a third party. The plaintiff applied for short-term disability benefits due to osteoarthritis and arthritis. They were approved for and received STD benefits for three weeks until they were denied. The plaintiff sued the Trustees of the Plan and the benefits administrator seeking damages in excess of \$750,000 for allegedly wrongfully denying disability benefits that they were entitled to under the Plan. After investigating the claim, it was determined that the plaintiff was permanently disabled and benefits were owed. Chubb paid a total of \$55,000 to defend the claim.

Contact Us

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

Chubb. Insured.SM

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.