

# Meet Craig and Vanessa:



## Money to care for aging mom stolen through malware; disrupts ability to have mom move closer

Mid-40's

currently live in Englewood, CO

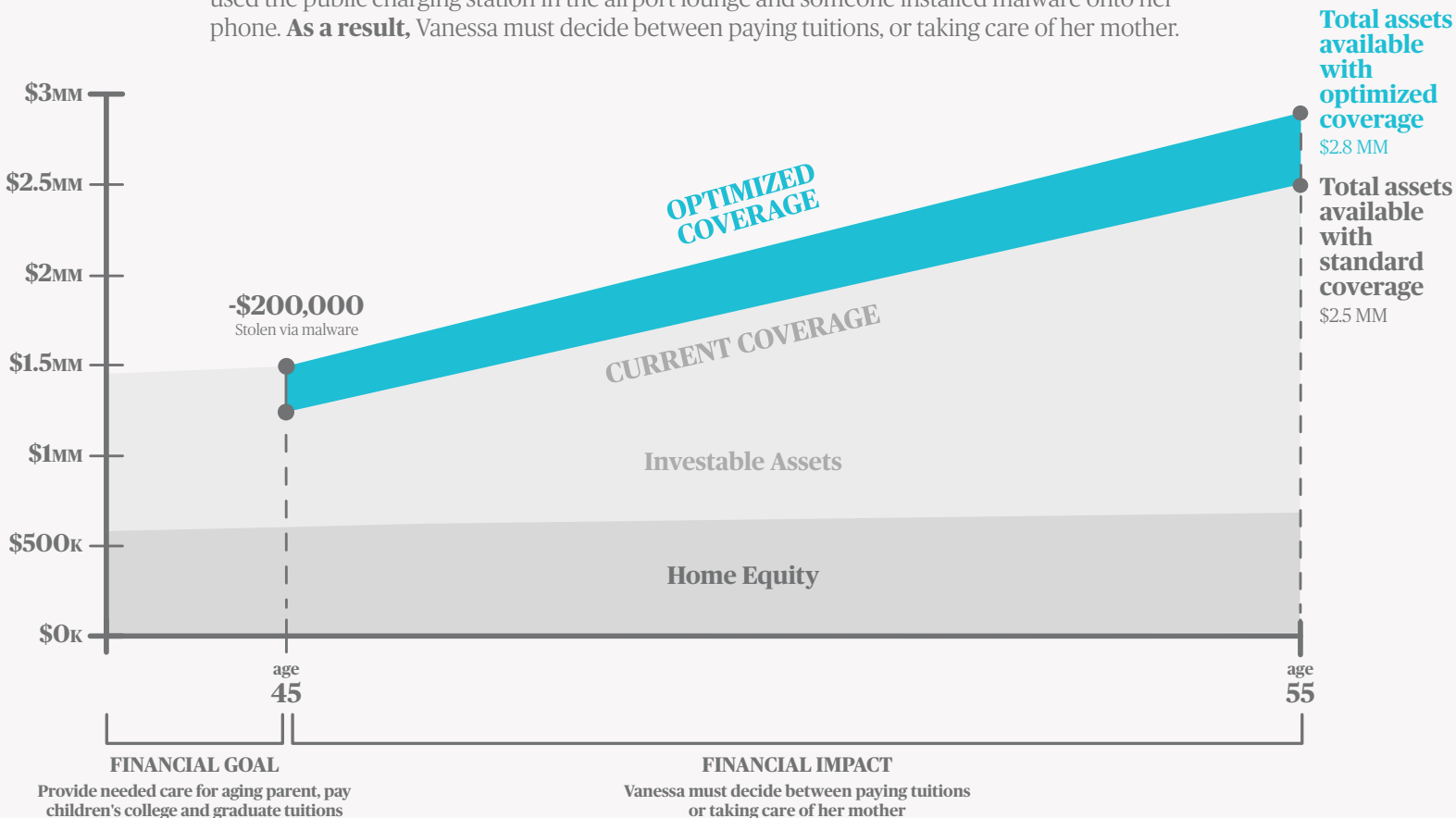
Planning to build a guest house

on the property to take care of Vanessa's aging mom

Working with a financial planner

on goal of having enough money saved to care for aging parent and paying for their children's college and graduate school

**What happened?** In order to fund an addition for Vanessa's aging mother, Vanessa decides to liquidate some of her equity portfolio for a total investment of \$200,000. She moves the money into her bank account. Vanessa logs into her bank's mobile app and realizes that her balance is \$0. She used the public charging station in the airport lounge and someone installed malware onto her phone. **As a result**, Vanessa must decide between paying tuitions, or taking care of her mother.



*This example is illustrative only*

**Assumptions:** 5% equity growth **Current coverage:** No cyber coverage; \$1.5MM coverage A; **Optimized coverage:** \$250,000 for cyber financial loss coverage, and \$10,000 through homeowner policy; No deductible applies; \$2MM coverage A (proper coverage on the home) Form Code 02010841 (ED 719)

# Meet Jennifer and Richard:



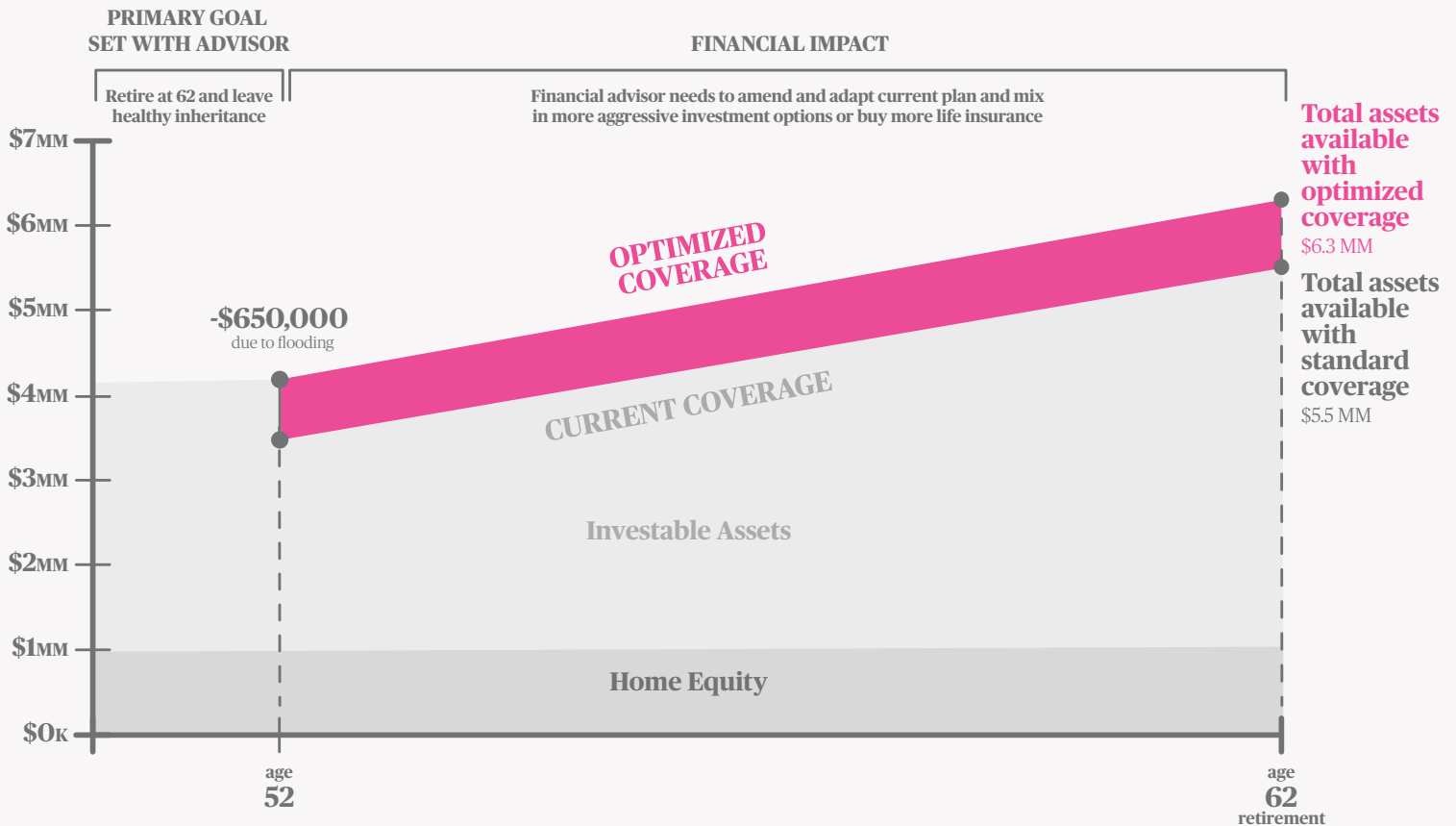
## Heavy rainstorm floods home; decreases money in estate for children and grandchildren

58 years old  
currently live in Southlake, TX

Plan to retire at age 62  
and move to Santa Fe, NM

Would like to grow estate  
as much as possible

**What happened?** Debris clogged the drainage systems, causing water to rise into their garage. At the same time, water flowed into their backyard from the yard of the house next door, where neighbors recently installed a pool that redirected drainage. As water flowed to the rear of the home, it breached the French doors and poured into the couple's kitchen. **As a result**, their financial advisor needs to amend and adapt current plan and mix in more aggressive investment options or buy more life insurance at less attractive terms.



*This example is illustrative only*

**Assumptions:** 5% equity growth. **Current insurance:** \$1.5MM in replacement cost coverage on home. NFIP coverage: \$250,000 on building, \$100,000 on contents, \$1,000 deductible on building and \$1,000 deductible on contents. **Optimized insurance:** \$2MM in replacement cost coverage. Flood coverage: \$2,000,000 on building, \$1,000,000 on contents, \$2,500 deductible. Form Code 02 01 0841 (ED 7.19)



## Pipe burst results in water damage to home, delays retirement by 5 years

**Early 60's**

currently live in  
Glencoe, IL

**2 adult children**

who have left home

**Home is 50%  
total wealth**

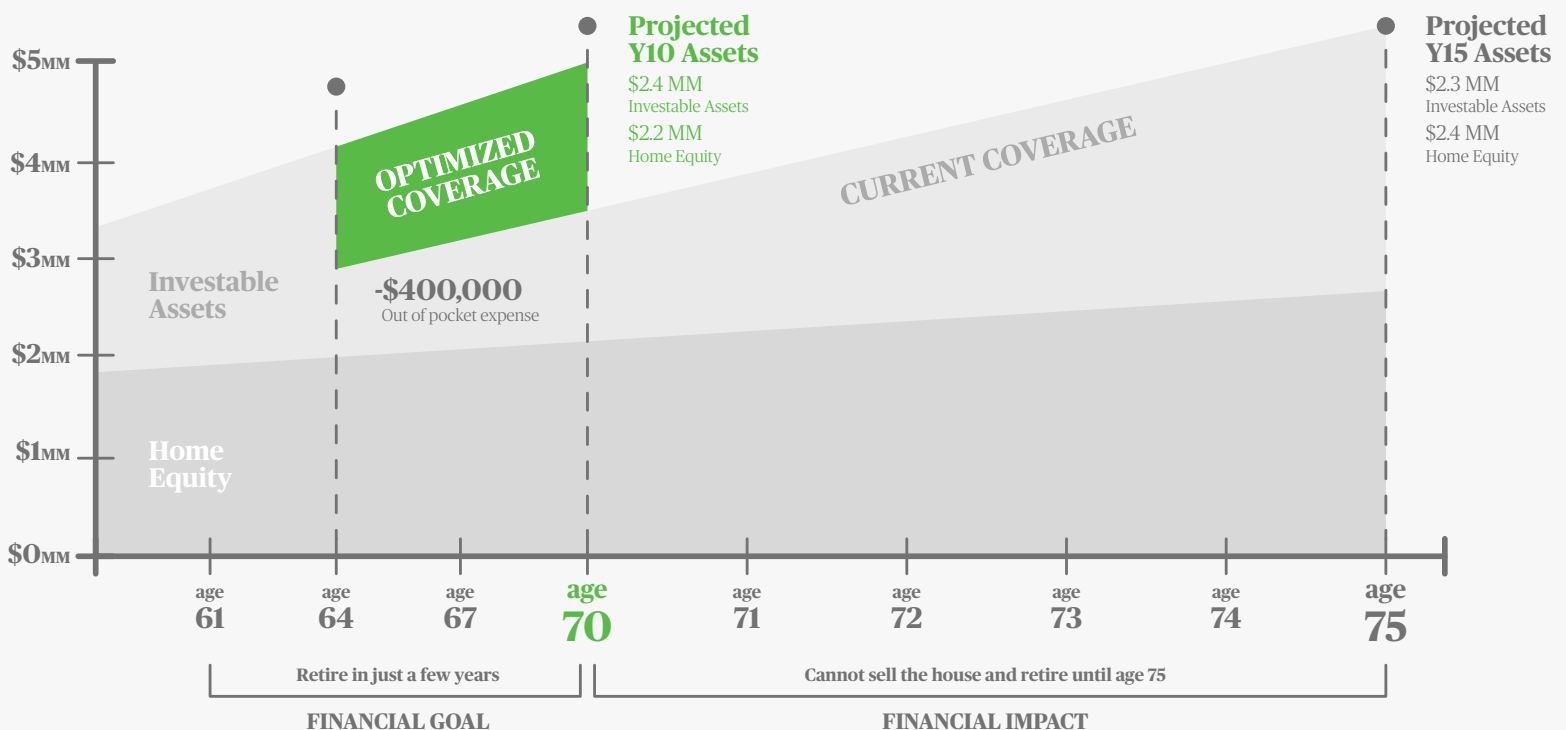
significantly appreciated  
in value since they bought

**Want to retire  
to Florida soon**

will sell home, downsize  
and enjoy lower tax rates

### A pipe burst in Ramona and Tom's home while they were away on vacation.

The water runs for 5 days and severely damages the home. The great room and kitchen need to be gutted due to damage to walls, flooring, custom cabinetry and appliances. The water also damages the finished basement including the heating and cooling equipment, laundry room, electrical include the Creston Home Automation System. The standing water and humidity in home cause condensation throughout the home. The total damage including additional living expenses for having to move out of the home for several months was \$700,000.





## Trampoline Accident wipes out college savings, children not able to select their first choice private universities

### Early 40's

currently live in the suburbs outside Dallas, TX

### Set of twins

five years old

### Home has four bedrooms

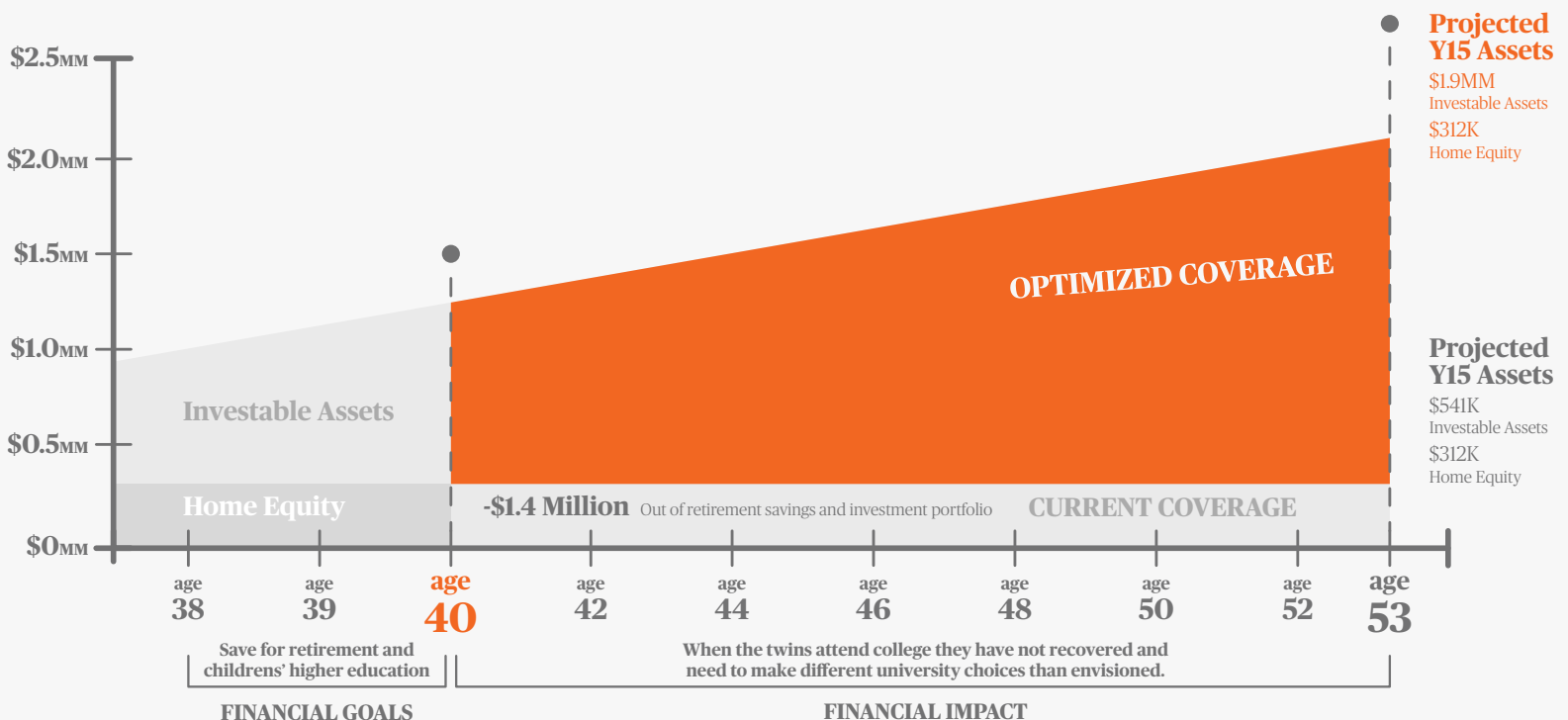
backyard includes a pool and trampoline, popular with their childrens' friends

### Want to save for private university education

as well as grow retirement savings and pay off house

**While playing on the trampoline, one of their childrens' friends is severely injured.**

The child's parents sue Rick and Sue for \$2 million in medical damages and negligence (because Rick and Sue weren't watching the kids). The lawsuit was lengthy with hefty legal fees (\$500k).



## Car accident and injury puts her life on hold for 3 years



### Early 30's

rents a house in downtown Seattle, WA

### Single, successful

member of a tech company that recently went public

### Just bought an expensive car

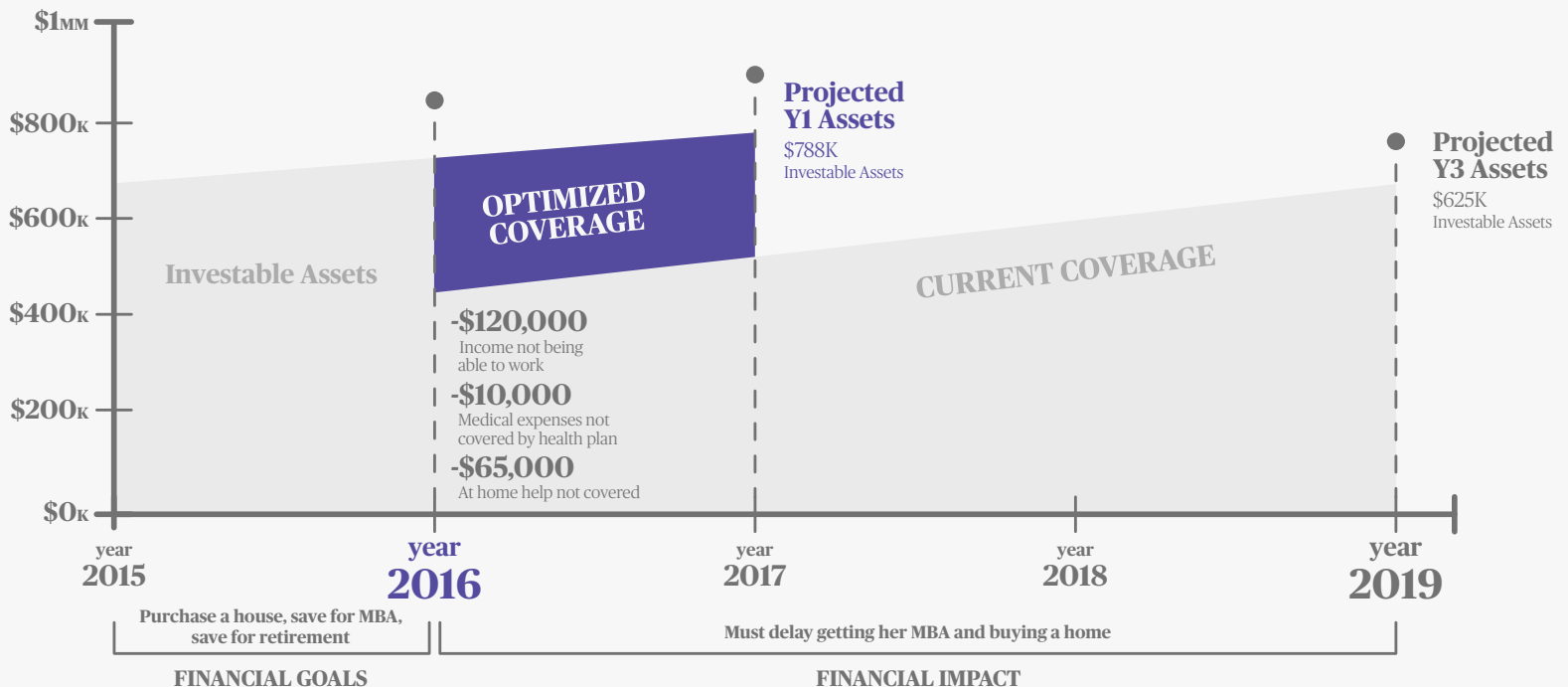
and has begun working with an advisor to manage her finances

### Likes to go on hiking trips

she drives to nearby national parks frequently in her new car

### Sonja gets into an accident with a driver who had no insurance.

Her new \$50k car was totaled, and Sonja is seriously injured and cannot work for a year, losing \$120k income. Her medical expenses of \$600k were mostly covered by her health plan, but she was still left with a \$10k bill.



## Chubb. Insured.<sup>SM</sup>

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## OLIVER WYMAN

Chubb commissioned Oliver Wyman to assess how high net worth individuals (HNWIs) may be buying property and casualty (P&C) insurance sub-optimally, and how their financial advisers could potentially help them get the right coverage. Oliver Wyman also analyzed whether doing so is in the interests of financial advisers. Oliver Wyman surveyed a random sample of consumers and financial advisers selected based on characteristics described in the report. The analysis of such survey data and the findings described in the report were developed independently by Oliver Wyman. This study is intended to be directional and is not meant to be a projection or prediction of future results. The primary audience for this report includes financial advisers, insurance brokers, and carriers. This report is not insurance or investment advice and should not be relied on for such advice or as a substitute for consultation with professionals, including accountants, tax, legal, insurance or financial advisors

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