



Homeowners coverage comparison case study

Two homes. Two insurance carriers. Two very different outcomes.



After a major hailstorm hit a cul-de-sac in the Midwest, residents of the neighborhood frantically called their insurance carriers to report the damage in the hope of starting the repair process as soon as possible. Two neighbors with homes of nearly the same value experienced similar damage, including to their homes' roofing, siding, windows, and kitchen appliances after hail shattered nearby skylight windows.

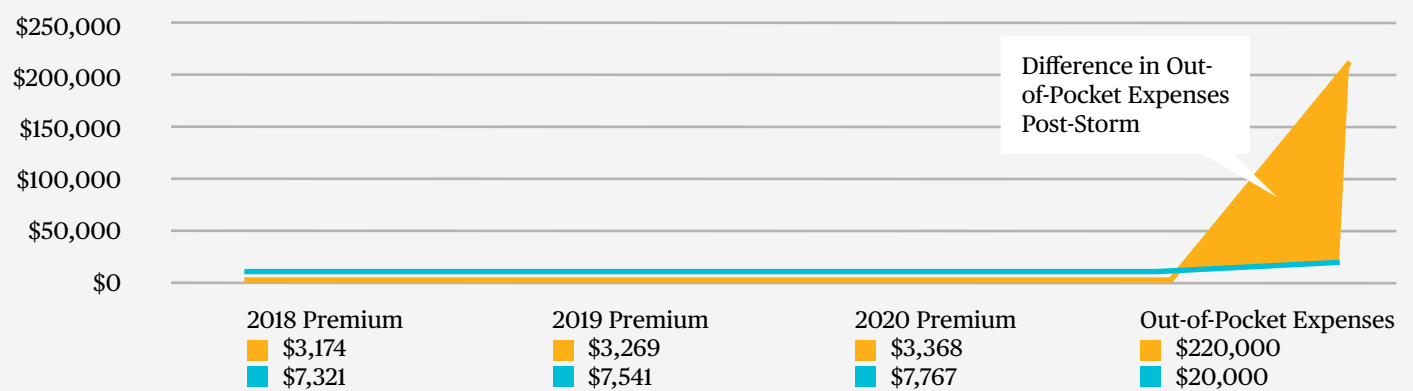
The neighbor from one house reported that they had chosen an insurance policy from the least expensive standard market carrier. The neighbor from the other house was insured by Chubb, and although they paid a higher premium, they felt the price was justified for the peace of mind the higher level of coverage provided them. It wasn't until this storm hit that the Chubb client was able to see first-hand the extra value they received from insuring with Chubb.

While each claim is different and all claims may not be handled like the examples shown here, this case study highlights how the policy terms, such as replacement cost coverage, and the level of service provided by the insurer can make a tangible difference in the claims experience and outcome. Homeowners should speak with their insurance agents about the terms of their policies and the claims practices of the insurers they might be considering.

How did the two homeowners fare in the same storm?

Not all insurers provide the same benefits and service. See how both neighbors might fare after experiencing approximately \$250,000 in damage to their homes and the total out-of-pocket expenses incurred should their homes be restored to pre-storm condition.

<p>House Insured with a Standard Market Carrier</p> <ul style="list-style-type: none"> Hail Deductible = \$14,000 Cost of restoration not covered by carrier = \$206,000 <hr/> <p>Total out-of-pocket expenses = \$220,000</p>	<p>House Insured with Chubb</p> <ul style="list-style-type: none"> Hail Deductible = \$20,000 <hr/> <p>Total out-of-pocket expenses = \$20,000</p>
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The difference in the claim experience

See the difference in how some of the repairs were handled.



House Insured with a Standard Market Carrier








- Took three weeks for carrier to come to the home and assess the damage
- Spent weeks fighting with their carrier about coverage
- Insurance carrier found ways out of doing the necessary work to restore the home and stopped work at the client's coverage limit
- Repairs were completed eight months following the storm with additional out-of-pocket expenses for the client



House Insured with Chubb

- ✓ Chubb was at the house the next day and work began the following week
- ✓ House was fully restored to original condition within three months
- ✓ Client did not pay any additional out-of-pocket expenses besides their deductible payment

The difference in what was replaced

	 House Insured with a Standard Market Carrier	 House Insured with Chubb
 Roof damage	Only damaged areas of the roof were replaced	✓ Chubb paid for the full roof to be replaced
 Wood clapboard damage	Only the wood clapboard on the impacted side of the home was replaced	✓ Chubb replaced wood clapboard on all sides of the home to match
 Broken windows	Policy excluded window replacement	✓ Chubb replaced all broken windows
 Other exterior damage	Policy did not include payment for other damage	✓ Chubb paid for multiple layers of paint on the exterior of the home
 Kitchen appliance replacement	Policy did not include appliance replacement	✓ Chubb replaced all damaged appliances with the same grade and level as before



The value of your insurance policy is defined by much more than price.

Talk to your agent or broker to make sure your policy protects you from unexpected expenses.

The claim scenarios described here are hypothetical and are intended to show the types of situations that may result in claims. These scenarios are not based on actual claims and should not be compared to an actual 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. The claims comparison presented herein is based on assumptions made about hypothetical coverage purchased by a homeowner; the coverage outcomes might vary depending on actual insurance purchased and service levels provided vary by insurer and circumstances. Clients should consult with their insurance agents to determine the right insurance policy for their circumstances. 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. Insurance provided by ACE American Insurance Company and its U.S. based Chubb underwriting company affiliates. All products may not be available in all states. This communication contains product summaries only. Coverage is subject to the language of the policies as actually issued. Surplus lines insurance sold only through licensed surplus lines producers. Chubb, 202 Hall's Mill Road, Whitehouse Station, NJ 08889-1600.

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