

# Segmentation policy

Chubb European Group SE

CHUBB®



**There are multiple criteria that play a role in determining whether we are prepared to insure a particular risk, what we are prepared to insure it against, and what the premium will be. Based on these segmentation criteria, we try to find a balance between the premium you pay and the loss or damage we anticipate. The segmentation criteria are objective criteria that can influence the probability or extent of loss or damage.**

In accordance with Section 45 of the Act on Insurance we will publish the segmentation criteria we use for:

- a. acceptance,
- b. pricing and/or
- c. determining the scope of the cover.

Please find below an explanation of the segmentation criteria we apply. After each criteria we have indicated whether we use it for acceptance (a), pricing (b) or the scope of the cover (c).

**For which insurance policies can you find information on segmentation (Section 43 of the Act on Insurance)?**

1. Compulsory third-party liability insurance for vehicles
2. Insurance covering non-contractual third-party liability in the private sphere
3. Legal assistance insurance
4. Individual life insurance

## **1. Compulsory third-party liability insurance for vehicles**

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This refers to Chubb Vehicle Insurance (passenger cars, light goods vehicles, mopeds and motorcycles).

### **Vehicle specifications (b)**

We take into account the specifications of the vehicle, as they can be a determining factor in the probability and extent of a claim event. For instance, a vehicle's horsepower determines its acceleration and maximum speed. Powerful vehicles are more frequently involved in accidents and, when they are, cause more serious damage than less powerful vehicles. All-terrain vehicles in particular often cause more serious damage when they cause an accident.

### **Use of the vehicle (b)**

Whenever you get behind the wheel, you run the risk of being involved in an accident. Long-distance and frequent drivers expose themselves to this risk increasingly over time. We therefore take into account factors that reflect the intensity of vehicle usage.

For the same reason, we also distinguish between private use (if applicable, including commuting) and professional use. Furthermore, this distinction is important, because it indicates when you use your vehicle most, i.e. during traffic peaks or at less busy times.

### **Place of residence (a)**

Because accidents are more common in areas where roads are busy, the place of residence is an important criterion. The range of products might be more restricted for people residing outside Belgium either because Chubb does not have the authorisation required to provide cover to people outside the country or a certain type of life insurance policy is not advisable for legal or tax reasons.

### **Drivers' ages (a)(b)**

Statistically, the older the driver, the fewer and less serious the accidents. By contrast, from a certain age the number of accidents increases due to a deterior-

ation in locomotion, eyesight, hearing and reactions as part of the ageing process. We therefore assess the suitability (including medical) for driving of people aged 75 and older who want to take out insurance with us.

### **Proven driving proficiency (a)(b)**

Drivers who pay attention when driving and anticipate the driving behaviour of other road users possess a high level of driving proficiency, enabling them to avoid accidents. Driving proficiency can, amongst other things, be demonstrated by a driver's claims history.

The specified criteria are not mutually exclusive; they either exacerbate or mitigate one another. For instance, a young, by definition, inexperienced driver, driving a powerful car will have a greater effect on the premium than it would in the case of someone aged 50, for instance.

## **2. Insurance covering non-contractual third-party liability in the private sphere**

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Some of Chubb's consumer policies cover non-contractual third-party liability in the private sphere.

We take into account the composition of the group of people being insured. According to the law, you are not only responsible for your own acts, but in some cases also for the errors of others, such as your minor children.

### **Risk increasing circumstances (b)**

Depending on the risk, we may require additional information from you regarding circumstances due to which, statistically, the probability of injury or damage is greater.

### **Place of residence (a)**

The range of products might be more restricted for people residing or located outside Belgium, either because Chubb does not have the authorisation required to provide cover to people outside the country or a certain type of life insurance policy is not advisable for legal or tax reasons.

### **3. Legal assistance insurance**

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Some of our consumer policies, for example travel policies, cover legal assistance.

#### **Group of people insured (b)**

We take into account the composition of the group of people being insured. The larger the group, the greater the probability that we will have to provide legal assistance and advice. Depending on the risk, we may require additional information regarding circumstances of you or your group members due to which, statistically, you are more likely to require legal assistance and advice.

#### **Place of residence (a)**

The range of products might be more restricted for people residing or located outside Belgium, either because Chubb Europe does not have the authorisation required to provide cover to people outside the country or a certain type of insurance policy is not advisable for legal or tax reasons.

### **4. Individual life insurance**

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#### **Age (a)(b)**

Your age is an important factor when you take out life insurance, because, statistically, the probability of death increases with age.

#### **State of health (a)(b)(c)**

We will assess your state of health based on a list of medical questions. If, when you take out the insurance, you have already been diagnosed with health issues that could make you more likely

to die prematurely, we will take this into account. If the list of questions provides us with insufficient information on the state of your health, we may also ask you to undergo a medical examination.

#### **Risk-increasing behaviour or activities (a)(b)(c)**

In light of the fact that tobacco damages your health and increases the risk of death, we want to know if you are a smoker or ex-smoker. High-risk professions (e.g., soldier, stunt person, bodyguard) increase the probability of early death.

#### **Place of residence (a)**

Any individual officially residing in Belgium can take out an individual life insurance policy with us. The range of products might be more restricted for people residing outside Belgium either because Chubb does not have the authorisation required to provide cover to people outside the country or a certain type of life insurance policy is not advisable for legal or tax reasons.