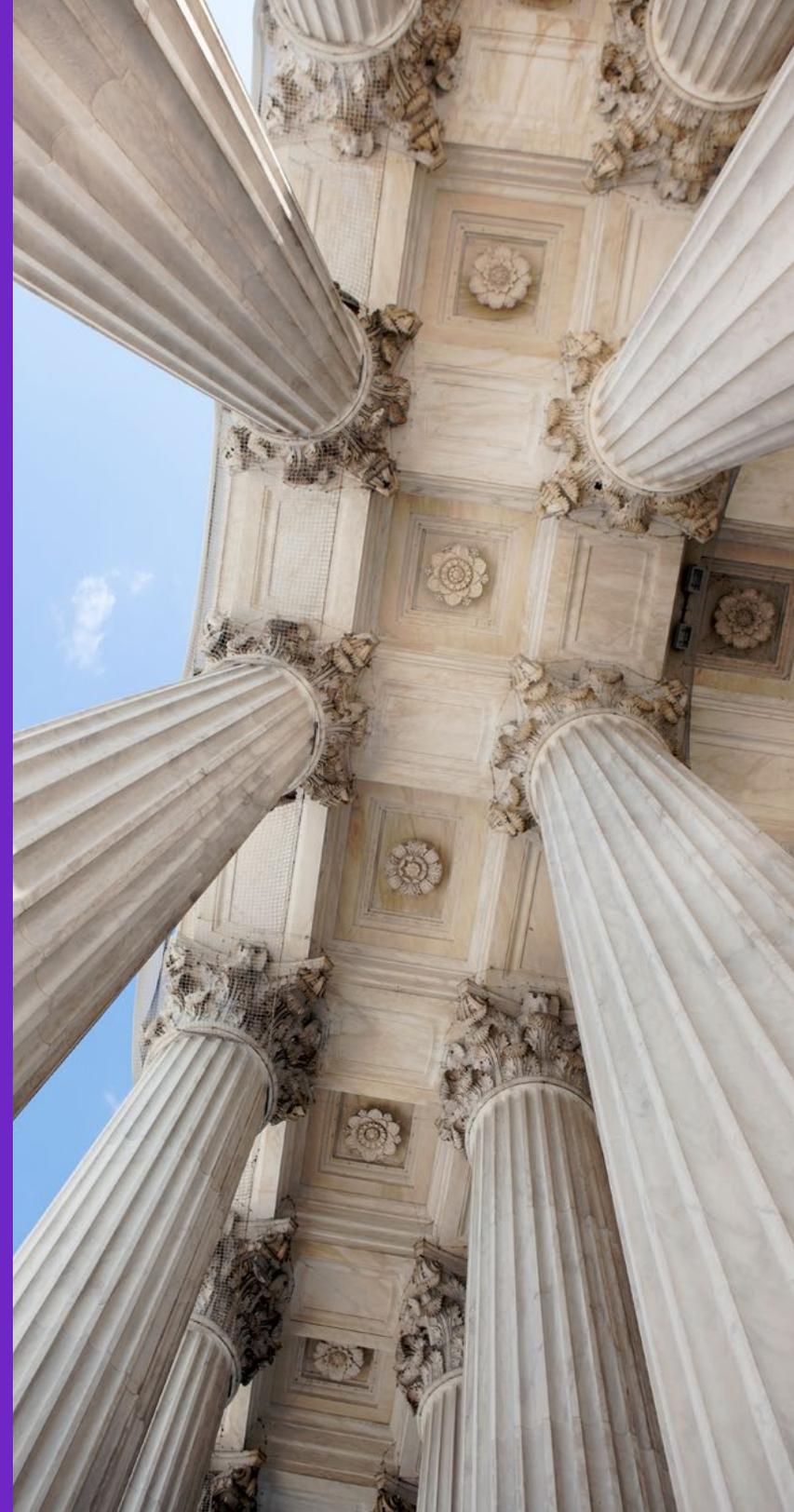


CHUBB®

Liability Limit Benchmark & Large Loss Profile by Industry Sector 2025

Understanding escalating losses



The global risk landscape gets more complicated and uncertain every year. Natural catastrophes, geopolitical instability, an ever-evolving legal environment, technological breakthroughs and cyber advancements continue to spawn new areas of risk that can have tremendous impact on how companies do business.

As the breadth of risk expands, so does the opportunity for Chubb to create solutions that better protect our customers and their businesses, giving them the runway they need to push their organizations forward.

Chubb has built our infrastructure around helping our customers navigate and respond to risk, from our practiced underwriters to our innovative risk engineers to our world-class claims team. Our long tenure in the insurance industry gives us access to decades of historical data and knowledge, and our team includes subject matter specialists who can leverage our resources to offer important industry insights. We use all the tools in our toolbox to make sure we understand the full picture when developing insurance solutions.

As we dove into our risk data for this year's Liability Limit Benchmark Report, we observed little, if any, change to the trends we've previously identified as the main drivers for increasing large liability losses. However, one of those trends worth closer scrutiny is the impact of litigation funding. Third-party litigation funding is a factor in prolonging and increasing the cost to resolve claims that might previously have been likely candidates for reasonable settlements. Indeed, funders have long acknowledged that their involvement makes claims "harder and more expensive to settle."¹

According to Nathan Morris, Chubb's Senior Litigation Policy Counsel, the industry is now a "risk generator," that encourages new litigation in addition to impacting large losses.

"The litigation finance industry would have you believe it's providing funds that allow plaintiffs to hire better lawyers and prepare stronger

Chubb's 17th annual Liability Limit Benchmark & Large Loss Profile by Industry Sector report highlights data on liability limits purchased, overlaying ISO loss trends and large losses,* presented to support well-informed insurance-purchasing decisions. This information is critical as companies build liability towers to protect their clients and businesses.

cases. But it's doing quite a bit more. Funders are paying for advertising to generate new claims. Then they finance the ensuing lawsuits. At best, that's taking existing risk and magnifying it. At worst, it's a risk generator, resulting in claims that wouldn't exist without funders' efforts to create and support them," Morris explains.² Funders often support groups or "portfolios" of cases. In some instances, litigants may not know that funders are working with their lawyers or how funders' payouts could impact their own recoveries.³

We see the impact of this and other risk magnifiers on each of the industries spotlighted in this year's Liability Limit & Large Loss Benchmark Report. While the frequency and severity of large losses continued to escalate across every sector, the median limits purchased by insureds either remained the same or decreased in all sectors except Transportation and Healthcare. The troubling gap between an always-increasing loss cost trend and the liability capacity being purchased by insureds has widened even further.

As you read through this year's data, keep in the back of your mind the core question this report was designed to help insureds answer:

How much liability limit is enough?

SOURCES

¹<https://www.wsj.com/articles/lawsuit-funding-long-hidden-in-the-shadows-faces-calls-for-more-sunlight-1521633600>

²<https://news.bloomberglaw.com/business-and-practice/mass-tort-marketer-hires-ex-lexshares-ceo-to-lead-funding-program>

³<https://legalfundingjournal.com/key-findings-from-westfleets-2024-litigation-finance-market-report/>

* Please note that certain cases may be on appeal.



Our 17th Annual Liability Limit Benchmark & Large Loss Profile by Industry Sector report highlights liability exposure and loss data on 10 industry sectors.

 Life Sciences **04**

 Healthcare **06**

 Consumer Products **08**

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 Oil & Gas **20**

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Click a sector to jump to that section

For each sector, the report shows:

- ▶ A sampling of large losses seen in the industry
- ▶ Median liability limits purchased over a 10-year period based on Chubb's 2024 year-end portfolio data
- ▶ ISO loss cost trends compared to median liability limits



To access further resources related to this year's report, visit

chubb.com/benchmarkreport.



Life Sciences

- Companies engaged in the research, development, manufacturing, marketing, distribution or sale of pharmaceuticals, biologics and medical products/devices, including biomedical research/technology.

Sample Large Losses

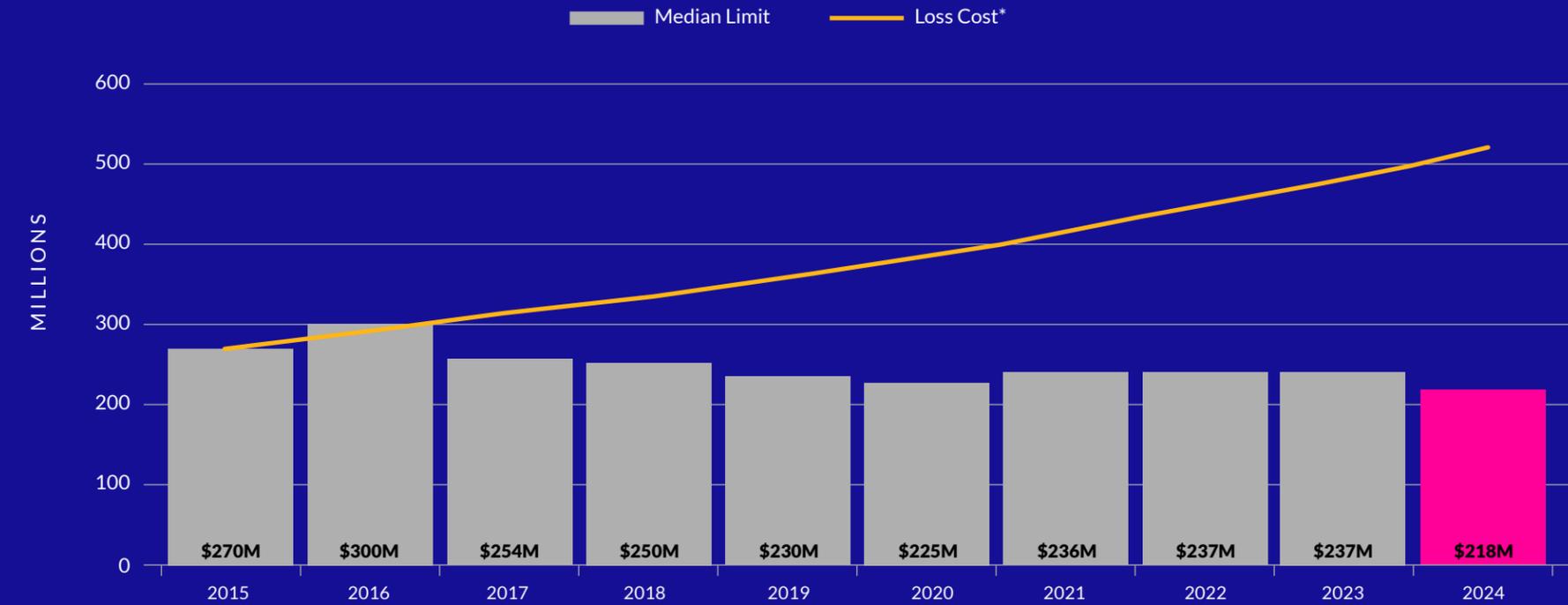
Date of Loss	Loss Details	Location	Incurred Amount
2020, 2021 ¹	Rival genetics company infringed patents	USA	\$96.3M
2021	Ads misled public regarding cancer detection product	USA	\$292.5M
2021	Defective batteries in implantable heart devices and false statements to the FDA regarding the same	USA	\$27M
2022	Diagnostics company copied screening method for genetic abnormalities from fetal DNA test maker	USA	\$272.5M
2023	Competitor infringed endoscopic-clip patents	USA	\$158.1M
2023	Company infringed on DNA sequencing patent	USA	\$83.4M
2023	Insurer willfully denied coverage in opioid death suits	USA	\$52M
2024 ²	Cancer drug infringed on rival's patent	USA	\$107.5M
2024 ³	City said manufacturers were unreasonable in opioid distribution	USA	\$274.5M

¹Mixed verdict

²Jury verdict

³Jury verdict

Life Sciences // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

Healthcare

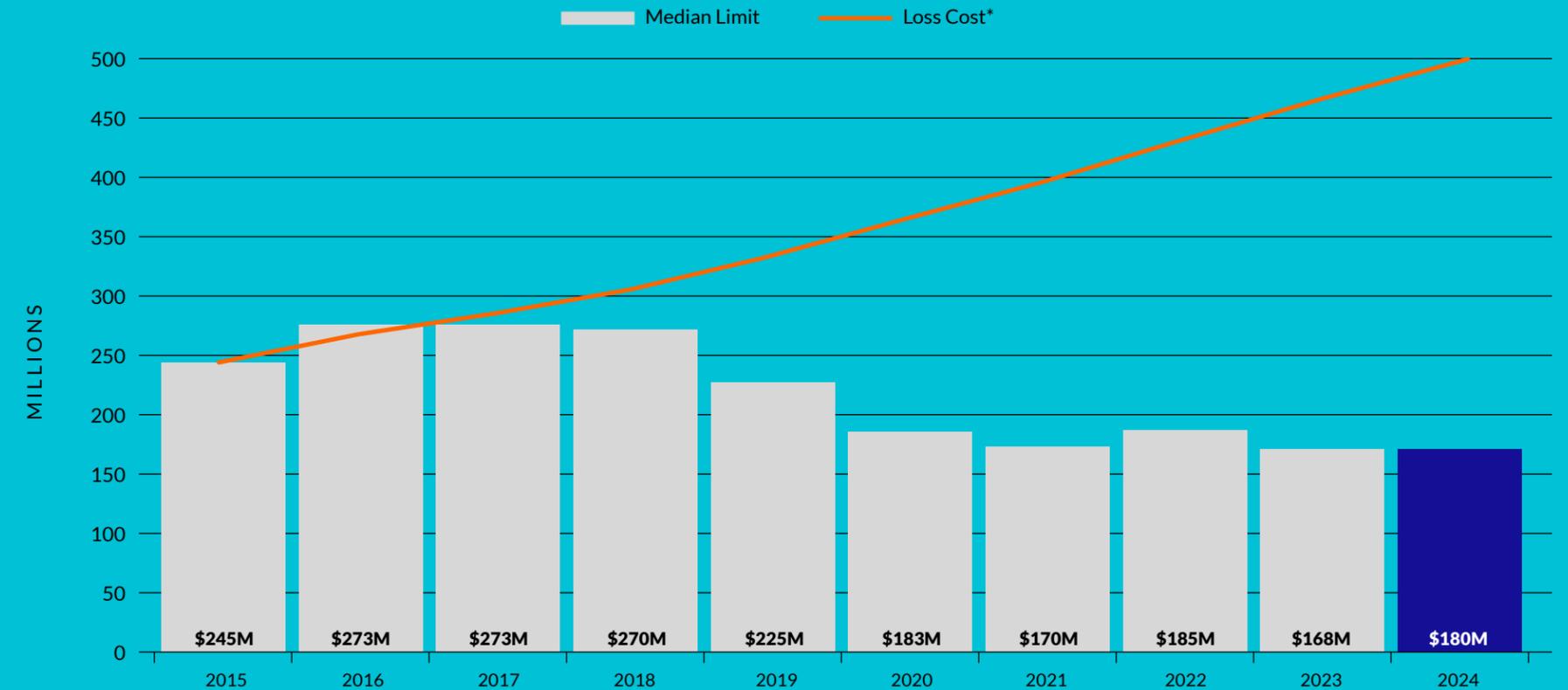
- Organizations including hospitals, teaching universities/medical schools, long-term care/assisted living facilities, managed care organizations and clinical trial/contract research organizations.

Sample Large Losses

Date of Loss	Loss Details	Location	Incurred Amount
2021	Talc used during plaintiff's surgery contained asbestos	USA	\$39.1M
2021	Girl left paralyzed after car crash	USA	\$26M
2021	Infant's estate made wrongful death claim against day care	USA	\$16M
2023	Delayed treatment led to baby's cerebral palsy	USA	\$182.4M
2023	Locked-in syndrome caused by medical negligence	USA	\$47M
2023	Doctor failed to prescribe prophylactic antibiotic	USA	\$44.5M
2024 ¹	Patient claimed misdiagnosis led to paralysis	USA	\$59.7M
2024 ²	Doctor performed circumcision after losing license	USA	\$100M
2024 ³	Medicine mismanagement leading to stroke	USA	\$41M
2024 ⁴	Clinic failed to admit patient into urgent care	USA	\$31.9M
2024 ⁵	Healthcare company broke contract by opening hospitals	USA	\$25.9M
2024	Elderly patient claimed she was raped by hospital's nurse	USA	\$25M
2024 ⁶	Settlement for teen's death	USA	\$16M
2024 ⁷	Childbirth trauma suit	USA	\$11.9M
2024 ⁸	Doctors failed to diagnose virus	USA	\$10.3M

¹Jury verdict ²Jury verdict ³Mixed verdict ⁴Jury verdict
⁵Jury verdict ⁶Settlement ⁷Settlement ⁸Mediated settlement

Healthcare // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

Consumer Products

Companies engaged in the manufacturing, marketing distribution, and sale of consumable goods, food and beverages, including food service providers.

Sample Large Losses

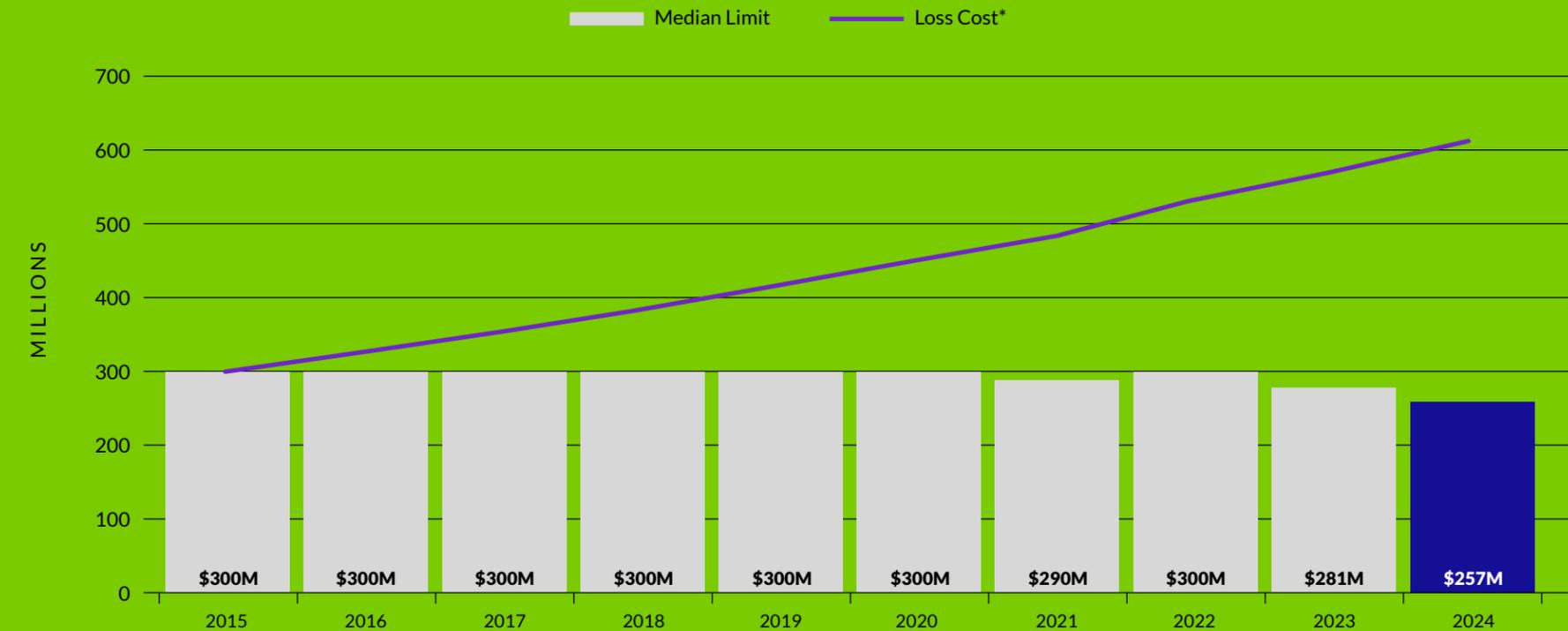
Date of Loss	Loss Details	Location	Incurred Amount
2018-2020	Plaintiffs alleged liver damage the result of toxic bottled water product	USA	\$5.2B
2019	Defendants failed to timely recall defective multicooker	USA	\$55.5M
2020	Employee failed to secure lids on hot teas	USA	\$50M
2021	Defective infant formula caused brain injury	USA	\$495M
2023	Terminal cancer linked to talc baby powder	USA	\$63.4M
2023	Exercise machine caused injury which hospitalized senior	USA	\$40M
2023	Exploding oven caused severe blast injuries	USA	\$30.5M
2023	Child died of asphyxia after becoming stuck in a bunk bed	USA	\$787M
2024 ¹	Weedkiller caused man's leukemia	USA	\$78M
2024 ²	Talc use caused mesothelioma death	USA	\$45M
2024 ³	Lifetime use of talc caused mesothelioma	USA	\$260M
2024	Defective gun unintentionally fired, injuring plaintiff	USA	\$11M

¹Jury verdict

²Mixed verdict

³Jury verdict

Consumer Products // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

Real Estate & Hospitality

Companies engaged in the ownership, operation or management of all types of premises/occupancies, including commercial and residential buildings, hotels and arenas/stadiums.

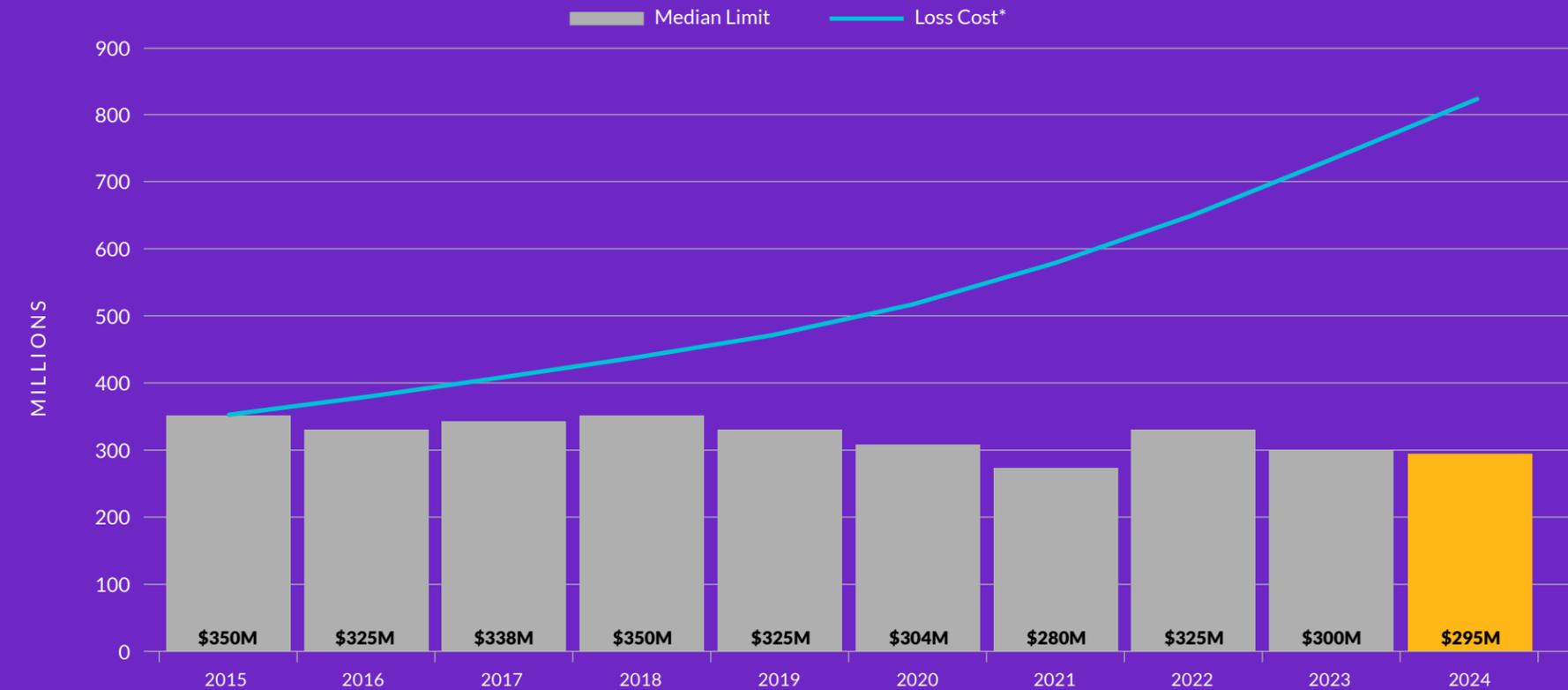
Sample Large Losses

Date of Loss	Loss Details	Location	Incurred Amount
2019	Housing association discriminated in rental dispute	USA	\$31.1M
2020	Hotel guest raped after assailant given room key	USA	\$16M
2021	Complex failed to remove wasp nest in common area	USA	\$11M
2021	Hotel failed to run background check on housekeeper	USA	\$29.4M
2021	Faulty gas system led to explosion and severe injuries	USA	\$109.5M
2022	Apartment complex knew it needed better security on premises	USA	\$15M
2022	Premises liability lawsuit against landlord based on garage door's unreasonably safe conditions	USA	\$13.4M
2023	Neighboring facility failed to install adequate erosion control	USA	\$135.5M
2023	Property in crime-ridden area had minimal security	USA	\$28.9M
2023	Falling fence caused spine, knee and shoulder injuries	USA	\$11M
2024 ¹	Businessman and his sons accused of real estate fraud	USA	\$362M
2024 ²	Near-drowning case at apartment complex pool in Las Vegas	USA	\$26M
2024	Hotel guest sexually assaulted by hotel security guard	USA	\$177M

¹Disposition date

²Jury verdict

Real Estate & Hospitality // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

Transportation Rail

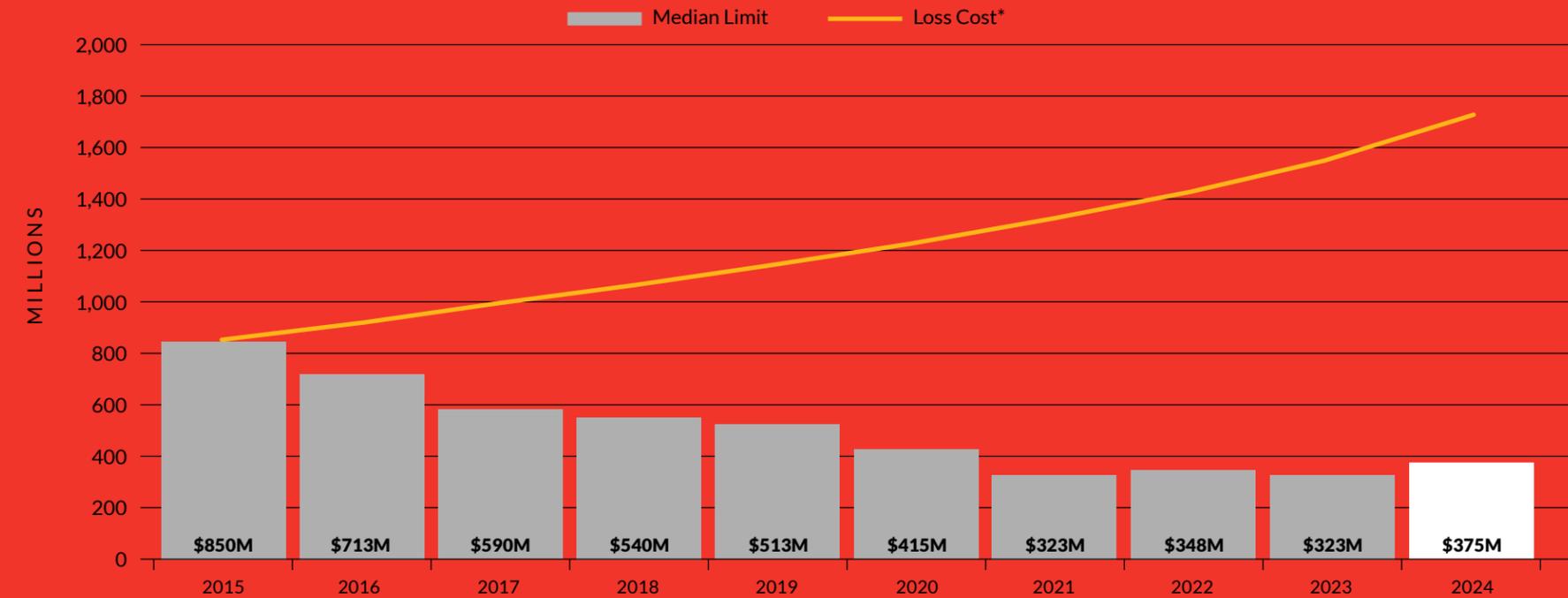
Companies engaged in the transportation of passengers and/or products by rail.

Sample Large Losses

Date of Loss	Loss Details	Location	Incurred Amount
2020 ¹	Train derailed at curve, killing three passengers and injuring about 80	USA	\$10M
2022	Remote control operator in rail yard sues employer after leg amputated from falling off train	USA	\$21M
2022	Rail company sued for shooting death of train passenger	USA	\$158.8M
2023	Plaintiff claimed she suffered severe injuries after being hit by train	USA	\$557.1M
2023	Broadside by train led to injuries and fatality	USA	\$13M
2023	Train engineer collapsed due to excessive heat in cab	USA	\$11.6M
2023	Man shot and killed on train	USA	\$158M

¹Jury verdict

Transportation – Rail // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

Transportation Road

Companies engaged in the transportation of passengers and/or products by roadway.

Sample Large Losses

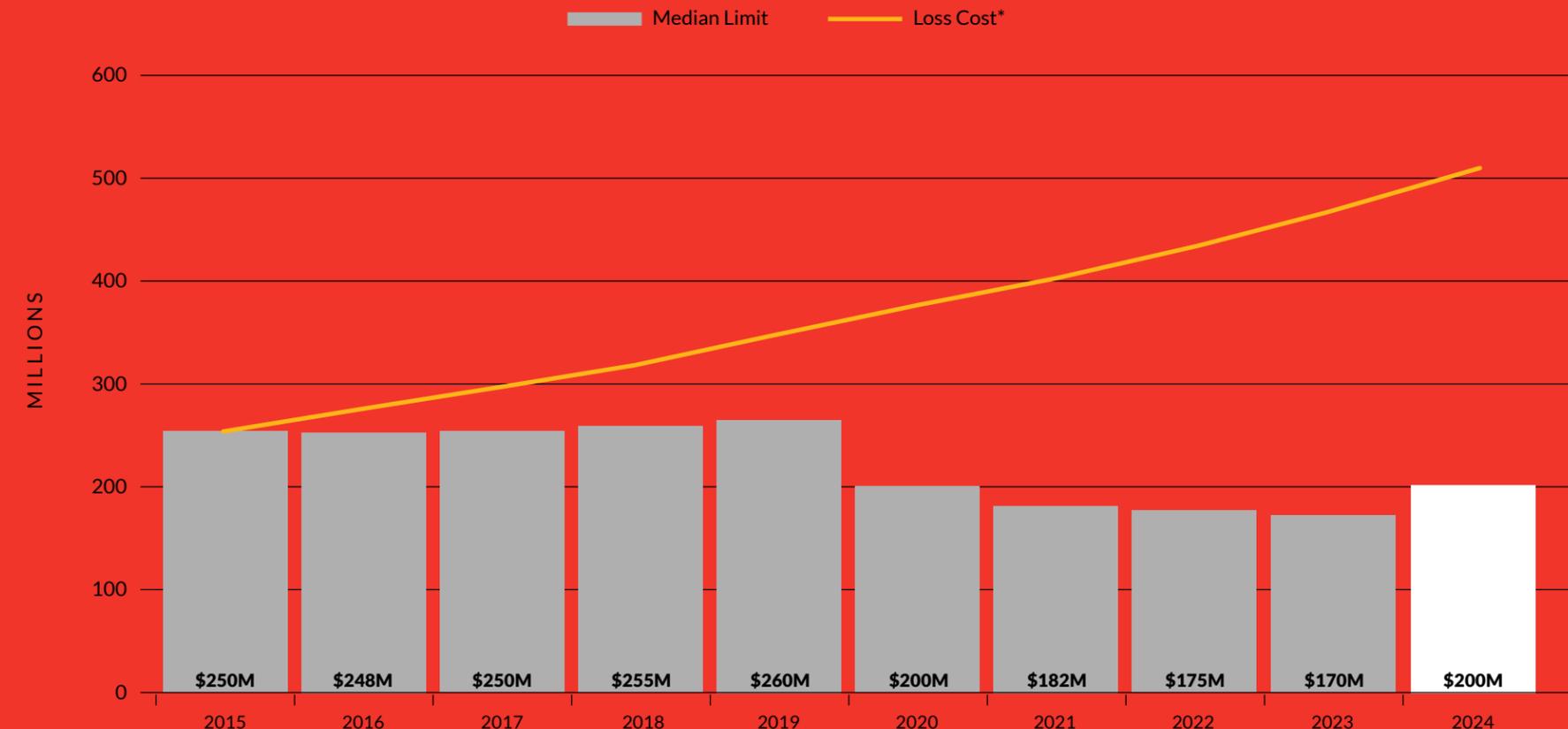
Date of Loss	Loss Details	Location	Incurred Amount
2021	Pedestrian hurt after being hit by truck in intersection	USA	\$12M
2021	Transportation company failed to install safety features at crosswalk	USA	\$38.2M
2021	Turning truck driver should have seen motorcyclist	USA	\$42M
2022	Plaintiff claimed he had a green light as he entered intersection	USA	\$12M
2022	Child killed by vehicle at school	USA	\$129M
2022	Defective truck design led to paralyzing injuries	USA	\$160M
2022	Defendant was speeding prior to two-vehicle crash	USA	\$15.6M
2022	Motorcyclist required amputations after head-on crash	USA	\$27.5M
2022	Plaintiff hit by vehicle while snow-blowing his driveway	USA	\$20.1M
2023 ¹	Lawsuit claimed surveillance footage captured head-on collision	USA	\$17.4M
2023	Motorcyclist required amputation after hit-and-run crash	USA	\$50M
2023	18-wheeler hit cars in shoulder lane, leading to multiple fatalities	USA	\$35M
2024 ²	Damages sought in fatal head-on car crash	USA	\$28M
2024 ³	Swerving tractor-trailer led to fatal highway collision	USA	\$47.1M

¹Disposition date

²Jury verdict

³Jury verdict

Transportation – Road // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

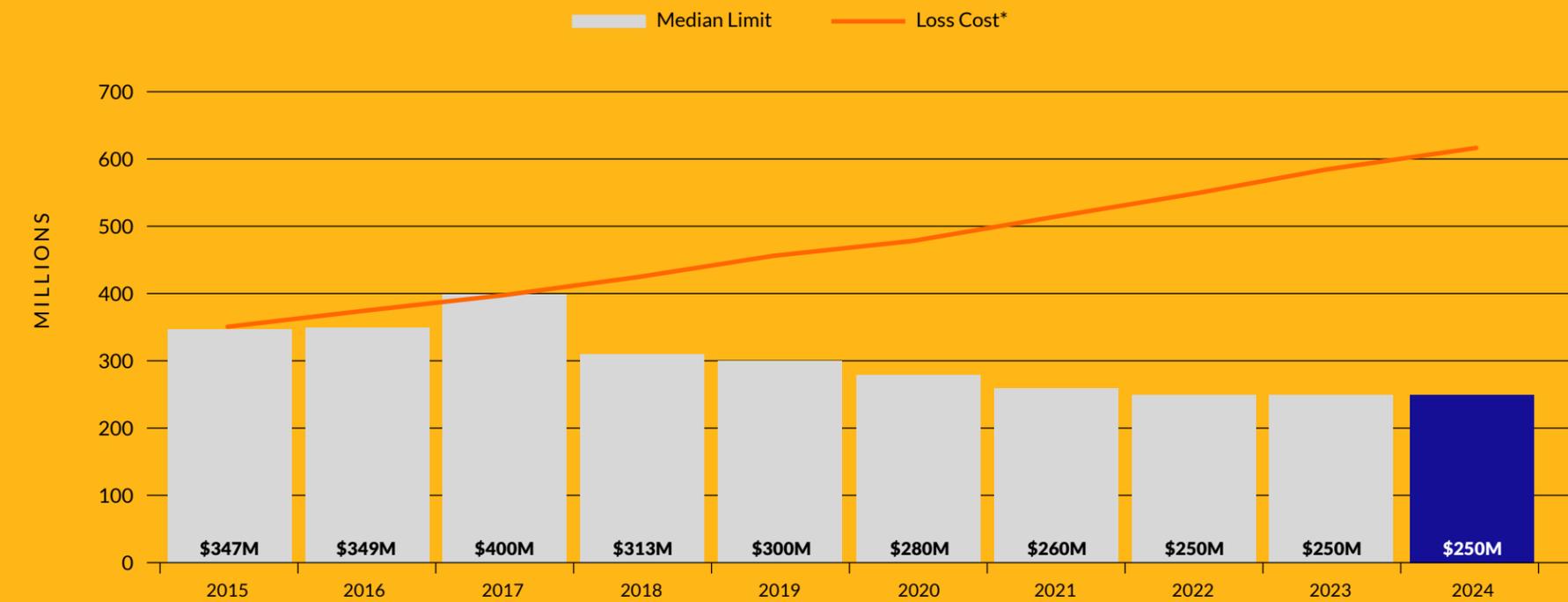
Construction

Companies engaged in project design, engineering, development and construction.

Sample Large Losses

Date of Loss	Loss Details	Location	Incurred Amount
2018	Laborer's fall from ladder resulted in multiple head injuries	USA	\$22.5M
2018	Plaintiff suffered multiple injuries in stair collapse	USA	\$15M
2018	Unsafe worksite led to injury from falling concrete	USA	\$10.9M
2019	Wall collapse caused injuries to spine, shoulder and knee	USA	\$10M
2019	Workplace accident on lift led to fatality	USA	\$72M
2020	Engineering miscalculation led to structural defect	USA	\$280M
2021	Mason suffered spinal injuries after falling from scaffolding	USA	\$26.6M
2021	Worker backed up construction vehicle on highway, causing collision and brain injuries to truck driver	USA	\$18.9M
2021	Construction site negligence led to worker's death	USA	\$68.5M
2022	Exposure to asbestos-containing talc caused cancer	USA	\$22.5M
2022	Death from being hit with falling tree while on dirt bike due to excavator improperly on track	USA	\$22M
2022	Spinal injuries to worker who fell due to improperly placed temporary wooden staircase	USA	\$48M
2023	Improperly set crane led to woman's death	USA	\$860M

Construction // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

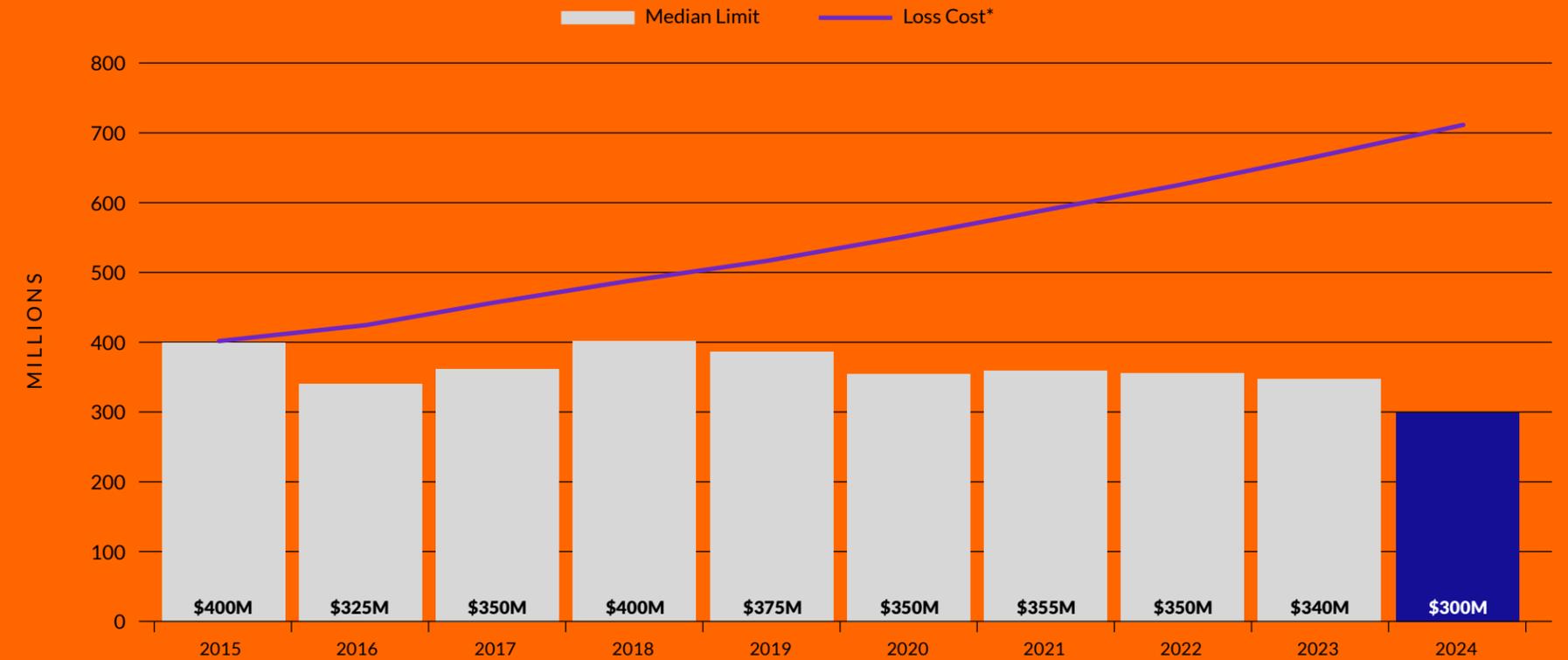
Manufacturing

- Companies engaged in the design, development, assembly, manufacturing, marketing, distribution and sale of industrial equipment, motor vehicles and component parts used in various industries.

Sample Large Losses

Date of Loss	Loss Details	Location	Incurred Amount
2022	Punitive damages against car manufacturer finding them liable for faulty truck roof	USA	\$2.5B
2022	Cancer caused by exposure to ethylene oxide plant emissions	USA	\$363M
2022	Engine defects that caused problems including stalling and premature breakdowns	USA	\$102.6M
2022	Faulty propulsion systems made by electrical equipment manufacturer that failed on cruise ships	USA	\$158.8M
2022	Warehouse worker injured by a toppled load of lighting equipment	USA	\$100M
2023	Lithium-ion batteries caused fire that destroyed facility	USA	\$31M
2023	Defective restraint system caused driver's quadriplegia	USA	\$976.5M
2023	Plaintiff claimed crane should have been used to lift AC unit	USA	\$53.5M

Manufacturing // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

Oil & Gas

- Companies engaged in the exploration, production, refining, processing, marketing and distribution of natural gas, oil, liquids and derived products, including contract drilling and other oilfield products and services.

Sample Large Losses

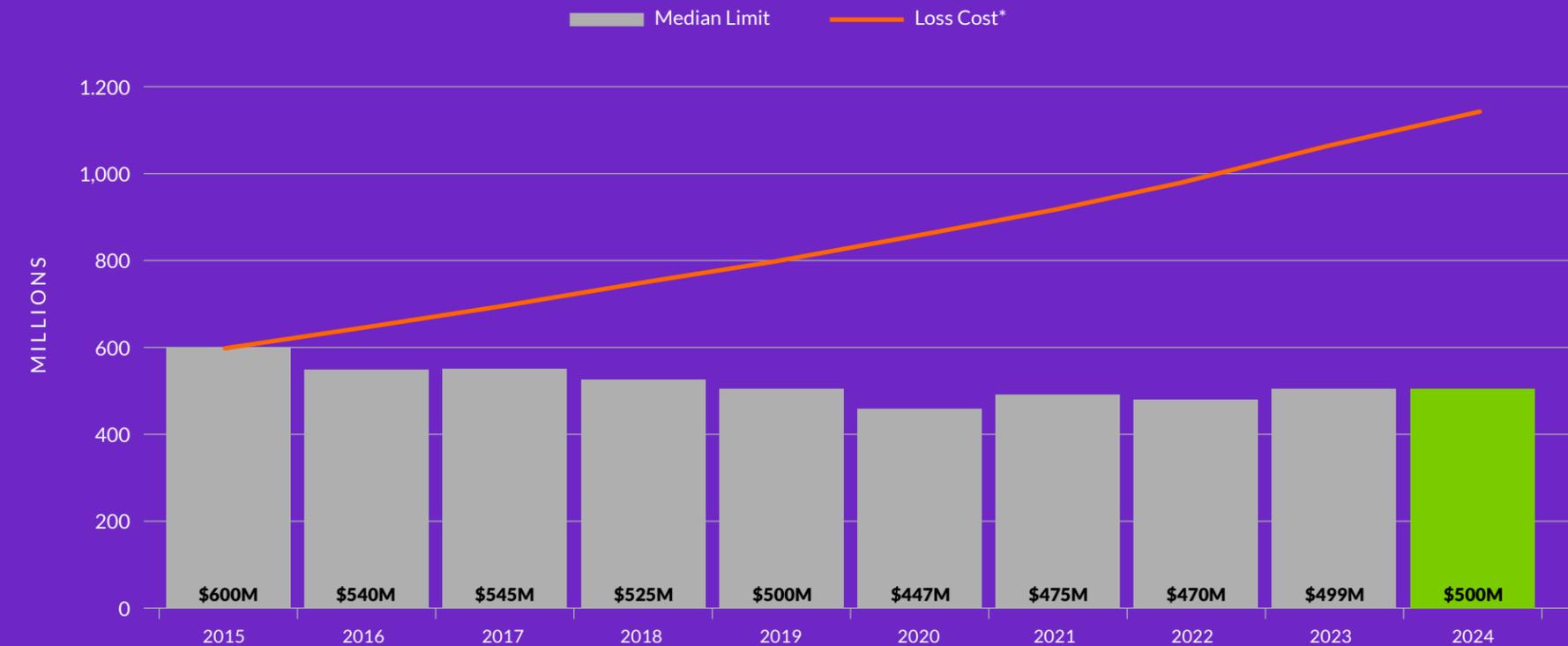
Date of Loss	Loss Details	Location	Incurred Amount
2020 ¹	Oil spill from pipeline closed beaches and damaged environment	USA	\$60.6M
2021	Additional environmental damage from 2006 oil spill	USA	\$19.7M (in addition to \$97M in earlier fines)
2021	Groundwater contamination by gas additive MTBE	USA	\$25M
2021	Pipeline wastewater spill resulting from hydraulic fracturing (fracking)	USA	\$35M
2021	Failure to investigate multiple leaks of natural gas storage facility	USA	\$1.1B
2022	Employee gas turbine technician was killed after he was struck by a fuel filter cover that blew off the equipment he was working on	USA	\$150M
2024 ²	Mechanic cancer attributed to gasoline exposure	USA	\$725.5M
2024 ³	Plaintiffs claimed fraud after gas enterprise failed	USA	\$40M

¹Date of settlement

²Jury verdict

³Mixed verdict

Oil & Gas // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

Utilities

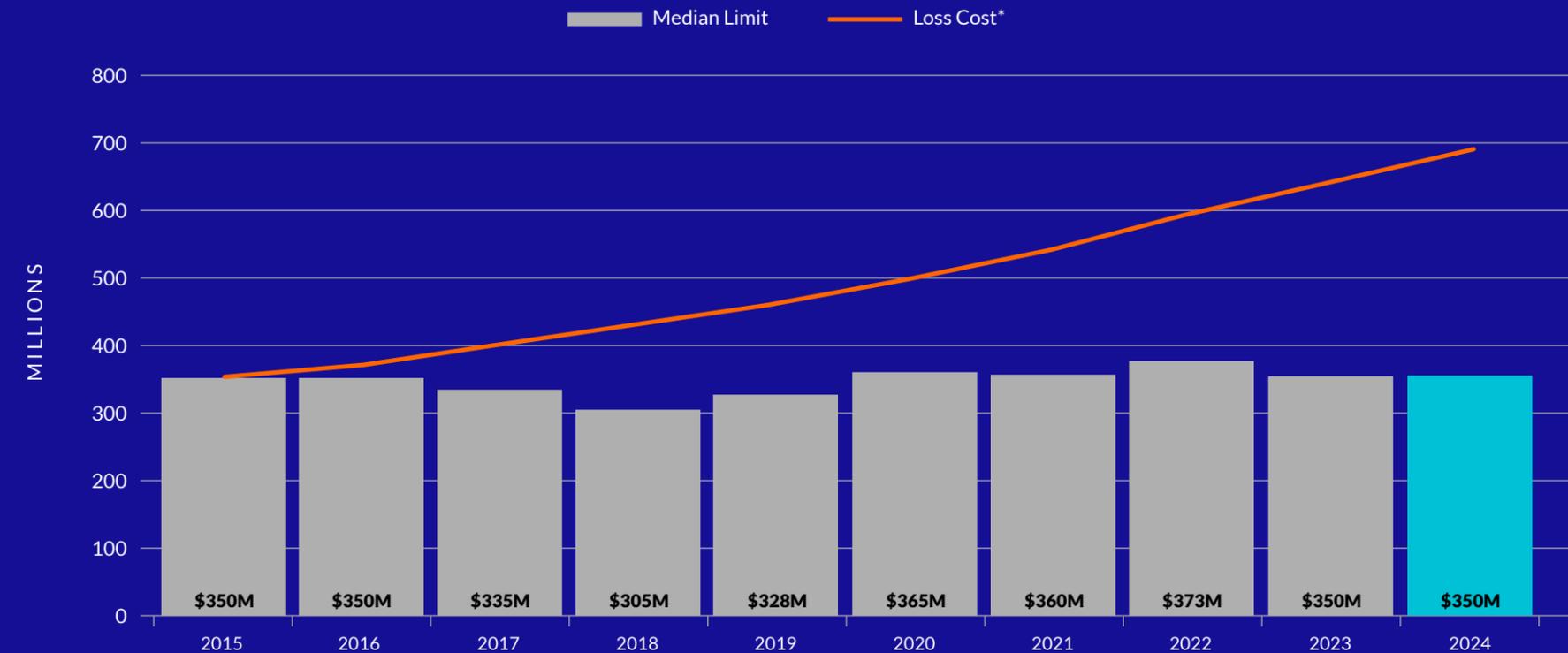
Companies engaged in the generation, transmission and distribution of electricity, including transmission or distribution of gas.

Sample Large Losses

Date of Loss	Loss Details	Location	Incurred Amount
2020	Energy company liable for wildfires	USA	\$29.2M
2021	Child struck and killed by garbage truck	USA	\$38.8M
2021	Paving company found to be grossly negligent in making a road repair, causing fatal crash involving commercial truck	USA	\$74M
2021	Piping maintenance company failed to repair faulty relief valve resulting in scalding death of worker	USA	\$220M
2022	Workers at electricity supply company forced out of jobs complaining about sexual and racial harassment	USA	\$464M
2022	Garbage collector struck by car and seriously injured while crossing street to collect a can	USA	\$14M
2023	Tree trimming near power lines led to severe electric shock	USA	\$54M
2023	Negligence of cement company caused worker's death	USA	\$50.5M
2023	Department failed to maintain electrical equipment	USA	\$38M
2023	Laborer disabled in negligent demolition project	USA	\$12.2M
2024 ¹	Class action for Maui wildfires	USA	\$4B

¹Settlement pending

Utilities // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

Chemical

- Companies engaged in research, development, manufacturing, marketing and distribution of petrochemicals, basic and specialty chemicals, agricultural chemicals and chemical intermediates.

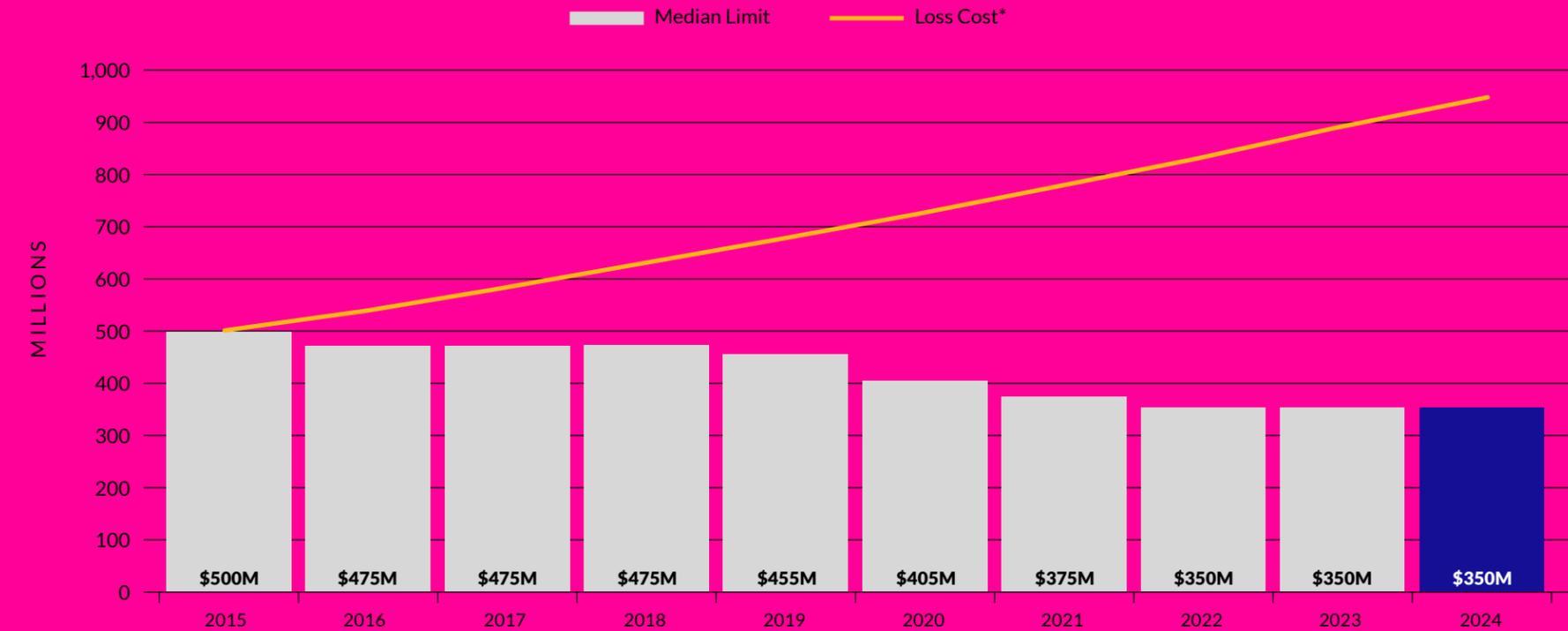
Sample Large Losses

Date of Loss	Loss Details	Location	Incurred Amount
2021	Silica dust exposure cause of lung disease	USA	\$52.4M
2022	Exposure to dangerous and long-lasting chemicals (PCBs) at local school	USA	\$82M
2022	Students and teachers exposed to PCBs caused neurological injuries	USA	\$275M
2022	Dry cleaning chemicals contaminated city's soil and groundwater	USA	\$56.3M
2023	PCB exposure caused brain damage, cancers	USA	\$165M
2023	Homeowner unaware land was previously chemical pit	USA	\$63M
2023	Mesothelioma death linked to products by man's estate	USA	\$40.8M
2023	Company accused of knowingly exposing worker to asbestos	USA	\$40M
2023 ¹	Students and parents exposed to PCBs	USA	\$857M
2024 ²	PFAS water contamination settlement	USA	\$10.3B
2024	PFAS class action settlement against interconnected chemical companies	USA	\$1.2B

¹\$73M compensatory damages, \$784M punitive damages

²Settlement

Chemical // Limits Purchased vs. Loss Costs



*Loss Costs are trended using the ISO trend circular and are indexed to 2015 limits

Contact Us

For additional information about Chubb's insurance products, please contact your Chubb representative.

www.chubb.com/benchmarkreport

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