

# Change in Controlled Environments (CICE)

Perishable property is a critical asset for Life Sciences companies. Chubb helps protect against costly spoilage losses

CHUBB®



For Life Sciences companies, the most critical assets are often perishable property. Any malfunction or loss of power to refrigerators or freezers can be devastating.

Out-of-temperature emergencies tend to be very costly. Without broad all-risk coverage, a company could face potentially significant losses if an incident occurs.

## **Chubb offers two ways to protect Life Sciences companies.**

### **1. Building and Personal Property Contract**

Chubb's Building and Personal Property contract provides full limit Change in Control Environments (CICE) coverage for 13 perils, as well as for property that doesn't rise to the level of the definition of perishable property.

#### **Loss scenario: Covered perils**

In 2012, Super Storm Sandy caused millions of dollars of property damage in 24 states, including the entire Eastern seaboard, with widespread power

outages. All CICE claims made under Chubb Life Sciences policies were covered to the full limits, since windstorm is one of the 13 specified perils.

#### **Loss scenario: Stock doesn't meet the definition of perishable property**

A company has \$10 million of stock that they store in a refrigerated warehouse to extend its shelf life, but the stock would not rapidly spoil or deteriorate if power were lost. Although the company's CICE limit is \$250,000, an out-of-temperature emergency would be covered up to the full limit of the Building and Personal Property contract, because the stock does not rise to the definition of perishable property.

#### **Thirteen Specified Perils**

- Aircraft or self-propelled missiles
- Explosion
- Fire
- Leakage from fire protection equipment
- Lightning
- Riot or civil commotion
- Smoke
- Vandalism
- Vehicles
- Volcanic action

## 2. Change in Controlled Environments (CICE)

### Insurance

To cover perishable property against spoilage caused by any covered peril other than the 13 specified perils noted earlier, Chubb provides Change in Controlled Environments (CICE) insurance. We generally provide \$250,000 limits automatically, and higher limits are available for companies with strong controls

### **Our risk mitigation expertise helps companies find more ways to protect themselves**

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At Chubb, we do more than simply offer insurance. We help our clients mitigate their risks. For companies that need higher CICE limits but lack adequate controls, we collaborate with them, developing loss control recommendations to help them better protect their property, and secure limits for the full value of their perishable property.

### **Risk mitigation resources**

We offer resources to help Life Sciences companies manage their risks for change in controlled environments losses. Please contact one of Chubb's risk engineers for information on Protecting Perishable Property and CICE Planning Worksheets.

## Why Chubb?

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- **Experience:** Chubb has been a leader in offering state-of-the-art property and casualty insurance protection to Life Sciences companies for more than 25 years.
- **Expertise:** We have dedicated Life Sciences underwriters, claims and loss control specialists focused exclusively on providing a broad range of precisely crafted yet flexible global insurance solutions tailored for Life Sciences companies.
- **Global reach:** We have offices in 54 countries, giving us knowledge of local business conditions and trends, and helping assure a fast, personal response to claims anywhere in the world.

## Contact Us

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To learn more about how a Life Science Insurance Program can benefit your company, contact your broker or local Chubb Underwriter today.