

Client Management School

The Chubb Auto Difference

CHUBB

*Insurance that exceeds your everyday expectations*

May 13, 2026

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Agenda

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1. Claim Frequency & Severity
2. Advertising Spends
3. Vehicle Complexity
4. Total Thefts
5. UM/UIM
6. Collector Vehicles
7. Electric Vehicles (EVs)

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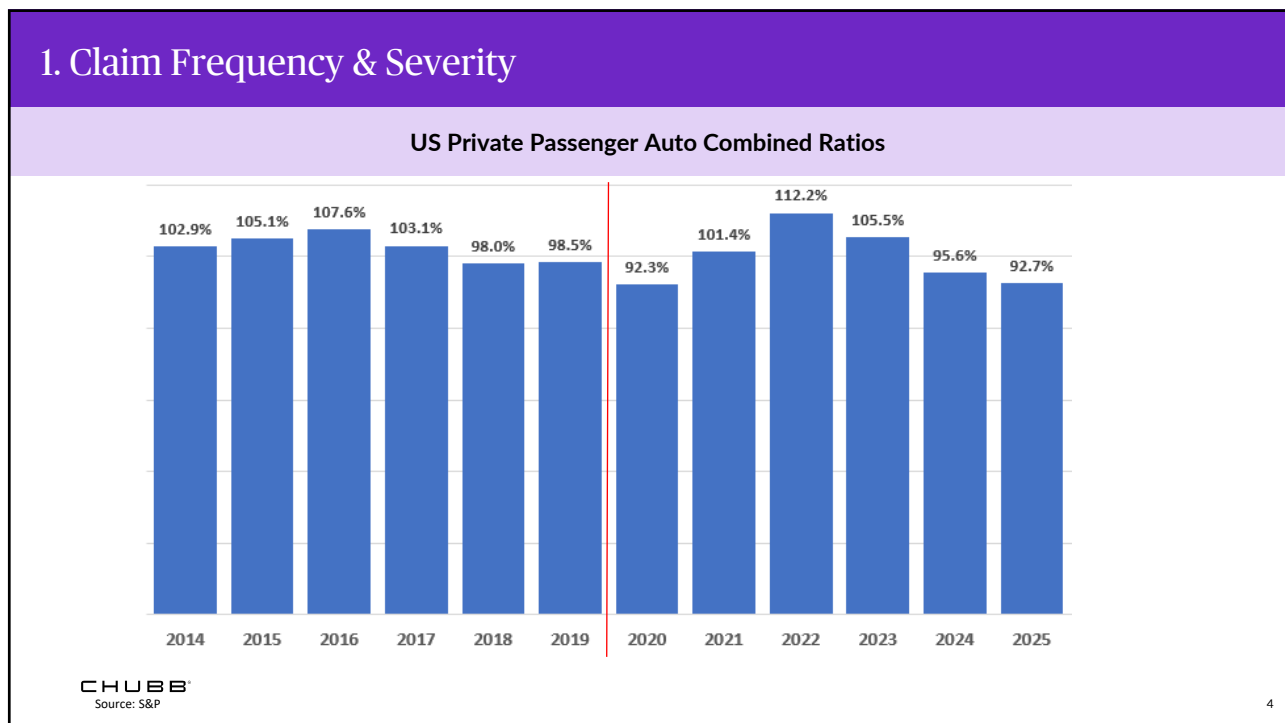
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# 1. Claim Frequency & Severity

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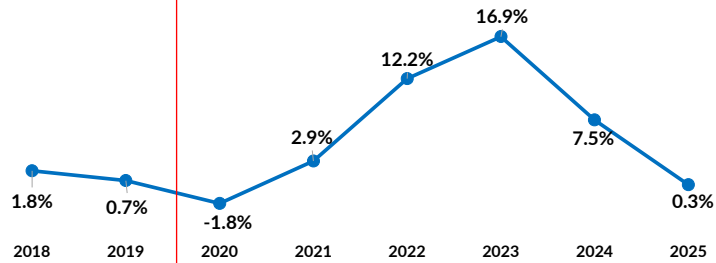
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# 1. Claim Frequency & Severity

US Private Passenger Auto Filed Rate Change (Industry)



- Auto insurers aggressively increased rates in 2022 -2024 to address economic & social inflation
- 2025 rate activity was minimal and 2026 is also starting out with very small increases with some insurers filing rate decreases.

Source: PRS Competitive Analytics using data from S&P

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# 1. Claim Frequency & Severity

Physical Damage claim frequencies were down in the most recent 4 quarters, while severity was up for Collision and down for Comprehensive.

		Q4 2020 – Q3 2025	Q4 2023 – Q3 2024	Q4 2024 – Q3 2025
Collision	Severity	\$5,852	\$6,288	\$6,636
	% Change		7.5%	5.5%
	Frequency	4.6%	4.4%	4.3%
Comprehensive	Severity	\$1,912	\$2,161	\$2,098
	% Change		13.0%	-2.9%
	Frequency	6.4%	6.3%	5.8%

- Collision severity continues to increase due to vehicle complexity. Tariffs impacts have been minimal.
- Collision frequency has been declining due shifting away from rush hour travel, greater propensity to self insure for smaller claims and ADAS accident prevention features.

- Comprehensive severity was down due to a decline in convective storms/hail claims, declining vehicle thefts and an Atlantic hurricane season that avoided the Gulf Coast & Eastern Seaboard.

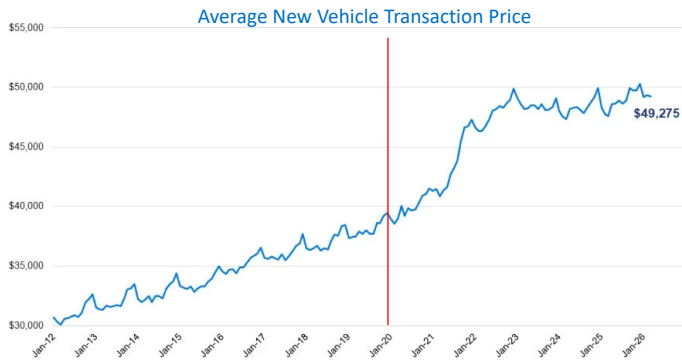
Source: Verisk Analytics, 2026 Executive Insights: Personal Auto 1st Edition

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# 1. Claim Frequency & Severity

New and used vehicle pricing had moderated which



- The average new vehicle transaction price increased 31% in 2023 vs 2019 (\$37,556 -> \$49,075).
- The average used car price increased 39% during the same time period (\$19,548 -> \$27143)

- Supply chain issues resulted in manufacturers producing fewer new cars, which also put upward pressure on used car prices.
- Partial loss severities also increased because higher priced cars makes it economical to repair relatively heavily damaged vehicles that previously would have been totaled.
- Increased new car production has helped stabilize new and used car pricing which has in turn reduced upward pressure on Physical Damage claim severities.

Source: Cox Automotive

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# 1. Claim Frequency & Severity

While Bodily Injury frequency was down in the most recent 4 quarters, severity continues to increase.

	Q4 2020 - Q3 2025	Q4 2023 - Q3 2024	Q4 2024 - Q3 2025
<b>Bodily Injury</b>			
<b>Severity</b>	\$29,212	\$31,776	\$35,981
<b>% Change</b>		8.8%	13.2%
<b>Frequency</b>	0.7%	0.7%	0.6%

Source: Verisk Analytics, 2026 Executive Insights: Personal Auto 1st Edition

- BI severity is being driven by social inflation, litigation, and changing jury behavior—not by more severe crashes.

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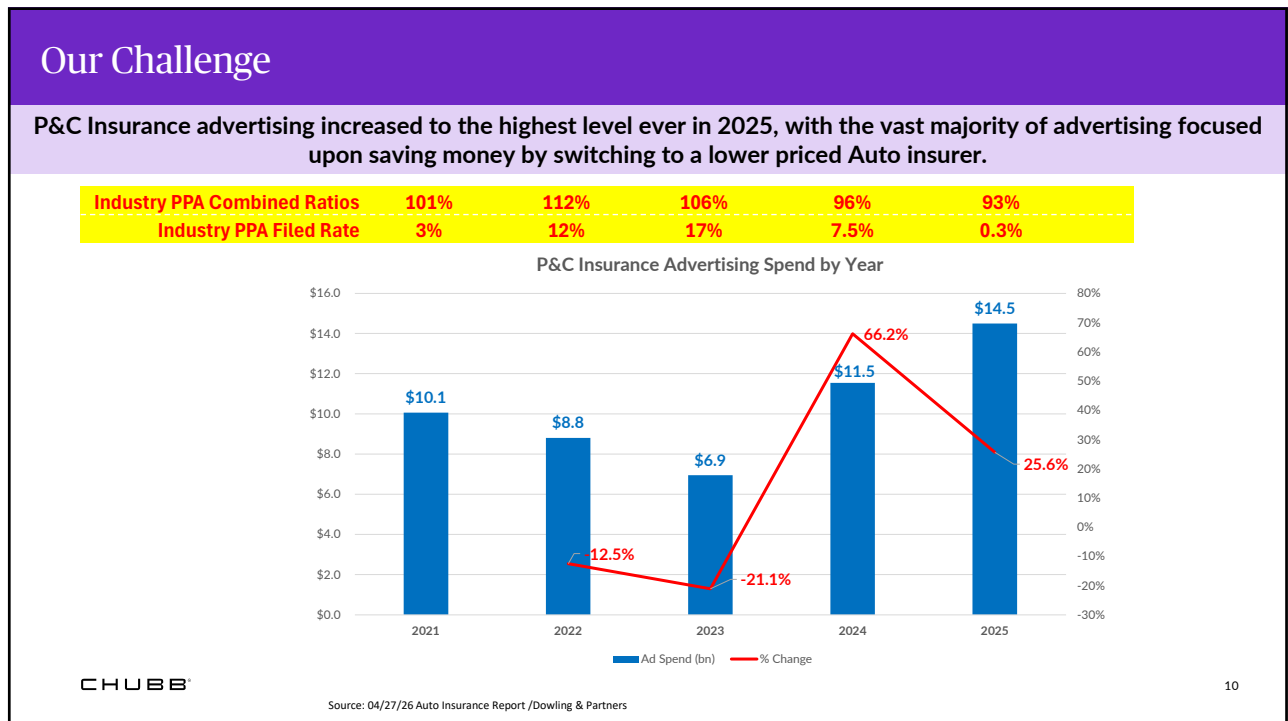
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## 2. Advertising Spends

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## P&C Insurance Ad Spends by Company

While many Auto insurers significantly increased their advertising spends in 2024 & '25, Progressive, Geico and Allstate stand out

Rank	Company	Ad Spends (\$ Billions)		% Change from 2024	% of Prem.
		2024	2025		
1	Progressive	\$3.49	\$4.52	29%	4.7%
2	Geico	\$1.40	\$2.31	65%	3.3%
3	Allstate	\$1.87	\$2.08	11%	3.6%
4	State Farm	\$1.11	\$1.14	3%	1.0%
5	Liberty Mutual	\$0.43	\$0.88	106%	1.1%
6	USAA	\$0.54	\$0.60	12%	1.5%
7	Amica Mutual	\$0.22	\$0.24	11%	7.4%
8	Am. Family	\$0.19	\$0.19	-2%	1.1%
9	Sentry	\$0.15	\$0.21	45%	3.2%
10	Nationwide	\$0.16	\$0.18	15%	0.9%
	<b>Top 10</b>	<b>\$9.55</b>	<b>\$12.35</b>	<b>29%</b>	<b>3.4%</b>
	<b>Industry</b>	<b>\$11.55</b>	<b>\$14.46</b>	<b>25%</b>	<b>1.2%</b>

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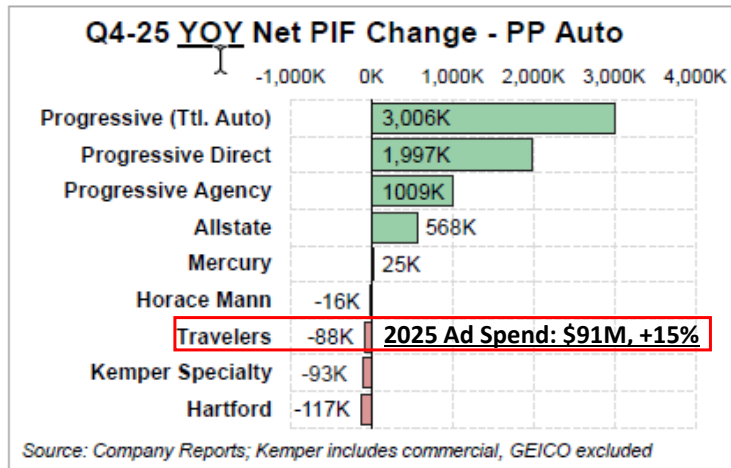
Source: 04/27/26 Auto Insurance Report /Dowling & Partners

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## P&C Insurance Ad Spends by Company

Big Advertising spends by the top writers are paying off in terms of policy & premium growth



Source: Company Reports; Kemper includes commercial, GEICO excluded

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### Geico Policy Count

2023: -14.4%  
 2024: -0.5%  
 2025: +5.3

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# 3. Vehicle Complexity

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## Average New Car Prices

Chubb clients buy new vehicles that are about twice as expensive as the average new vehicle. They also turn them over more frequently and have a preference for European makes.

	<u>Industry</u>	<u>Chubb</u>
		
Average New Car Price	\$49k	\$96k
Average New Car Ownership	8 Years	4 Years
% of Fleet from European Manufacturers	11%	46%

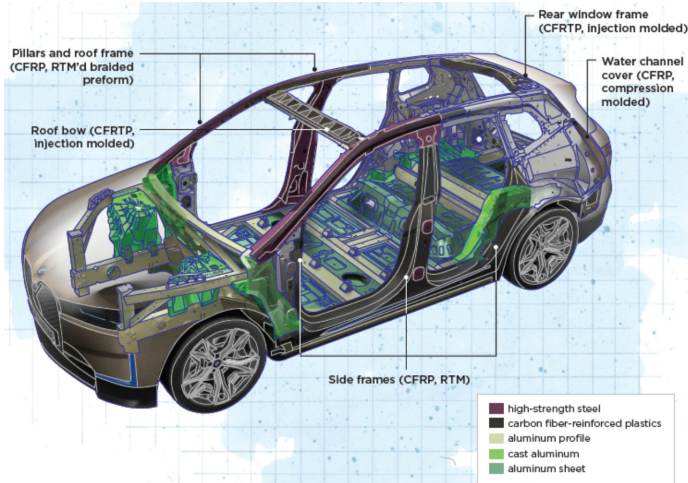
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## Vehicle Construction is Becoming Increasingly Complex

Lightweight vehicle construction has many benefits, but Multi-material construction greatly increases collision repair complexity, driving up claim severities



- Lightweight vehicle construction improves fuel economy, reduces emissions and enhances performance.
- It also contributes to better crashworthiness and allows for more advanced safety and electronic systems to be integrated without increasing overall vehicle weight.
- Today's complex high-end vehicles should be repaired at certified shops to ensure the repairs are done properly

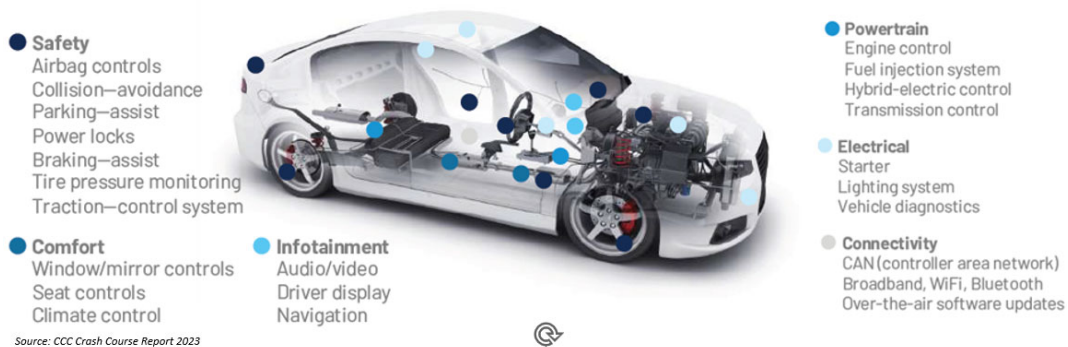
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## Today's Vehicles are Extremely Complex

Today's increasingly complex vehicles require repairs to be made by highly skilled (and highly paid) technicians

- The average car is packed with 1,400 semiconductors that control everything from airbags to the engine. Modern cars simply cannot run without chips.

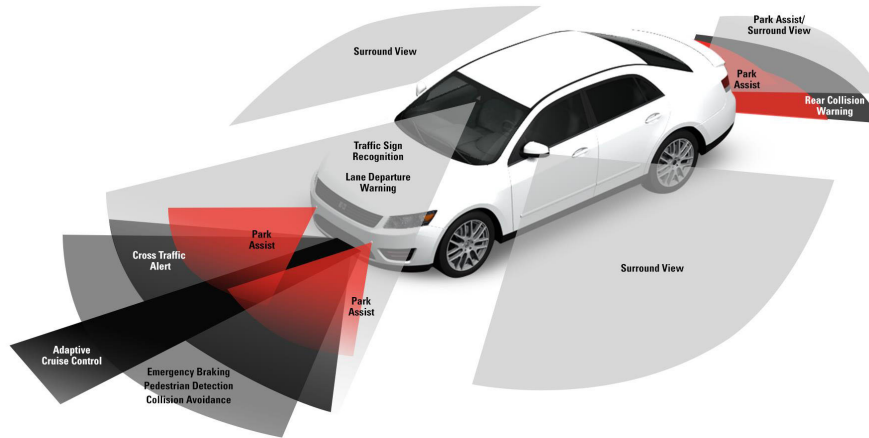


- Electric Vehicles have twice as many chips as Internal Combustion Engine (ICE) vehicles.

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## Advanced Driver Assistance Systems (ADAS)

ADAS technologies are designed to make vehicles safer by automating, improving or adapting some or all the operational tasks



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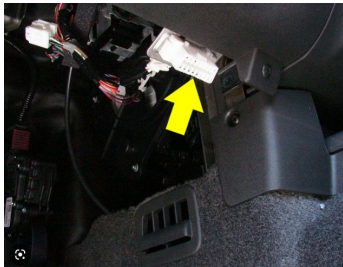
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## ADAS Repairs Contribute to Increasing Claim Severities

Scans & Recalibrations are becoming commonplace as vehicle complexity increases

Scan



Recalibration



	<b>Avg Cost</b>	<b>% of Claims</b>
<b>Scan</b>	<b>\$159</b>	<b>80%</b>
<b>Recalibration</b>	<b>\$487</b>	<b>42%</b>
<b>Recal + Scan</b>	<b>\$646</b>	

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Source: CCC Crash Course 2026

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## ADAS (& Headlight) Repairs Contribute to Increasing Claim Severities

While ADAS features contribute to lower accident frequencies, their high cost of repair increases claims severity putting upward pressure on rates.



2024 BMW 5 Series 540i xDrive 4D

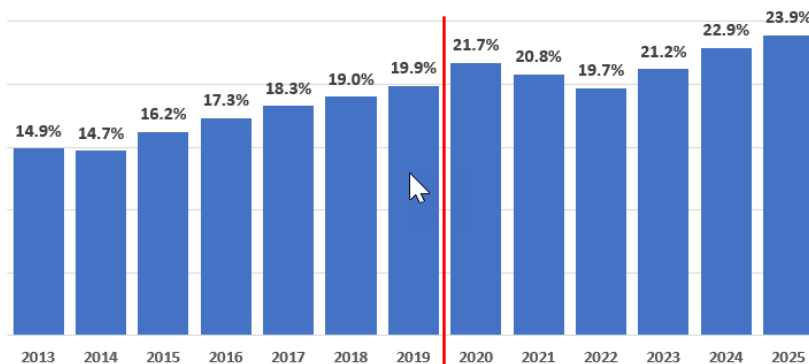
### Parts + Labor costs for a Front-End Collision

Headlights (\$2,626.20 X 2)	\$ 5,252.40
Senors & Cameras	\$ 9,330.87
Labor & Misc	\$ 1,527.00
<b>Sub Total</b>	<b>\$ 16,110.27</b>
<b>Sales Tax @ 6.625%</b>	<b>\$ 1,004.04</b>
<b>Total</b>	<b>\$ 17,114.31</b>

Source: CCC, April 2025

## Total Losses Are Increasing

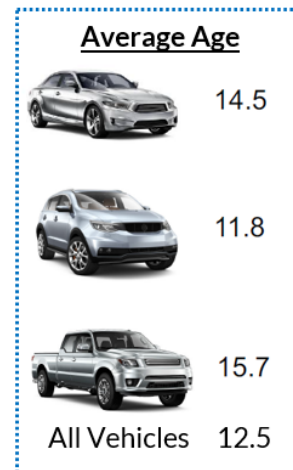
Vehicle complexity and an aging US fleet are contributing to increased total losses



Source: CCC Crash Course 26

- The increase in total losses is back on its pre-pandemic trajectory

Source CCC, 1Q25 Crash Course



Source S&P Mobility

## OEM Certified Technicians are Well Compensated

Body Shop Technician compensation increases substantially as experience and training increase

Body Shop Technician Categories	Average Annual Compensation	Hourly Wage
OEM Certified	\$107,273	\$52
Class A (Highly experienced & trained)	\$80,239	\$39
Class B (Some experience & training)	\$60,295	\$29
Class C (Entry Level)	\$43,082	\$21

Source: Crash Network Newsletter, 03/13/23

Paint Dept. Technican Categories	Average Annual Compensation	Hourly Wage
OEM Certified Painter	\$106,336	\$51
Painter	\$76,640	\$37
Painter's Helper	\$40,702	\$20

Source: Crash Network Newsletter, 03/27/23

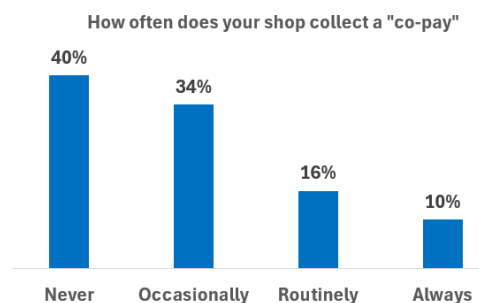
- In 2025, the average labor rate paid by the auto insurance industry was \$67.46 per CCC

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## “Short-Pays” & “Co-Pays”

Mass market Auto insurer “Short-Pays” & “Co-Pays” are becoming increasingly common



Source: 07/13/25 Crash Network Newsletter

- Mass market auto insurers often cap hourly labor rates, will only pay for aftermarket or junkyard parts and won't pay of OEM repair procedures.
- Insurer “short-pays” result in many shops routinely charging “co-pays” beyond the client’s deductible.
- Only 40% of shops never charge a “co-pay”, while 26% of shops routinely or always do.
- The average co-pay amount is \$700.

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## “Short-Pays” & “Co-Pays”

### Real world “co-pay” example for a mass market auto customer



- A Porsche certified repair shop quoted **\$8,361** to fix the damage to this \$100k 2022 Porsche Taycan EV.
- Porsche advised that if the repair wasn't done at a Porsche certified shop the vehicle's warranty would be voided.
- Using a labor rate of \$47/hour, State Farm was only willing to pay **\$6,267**.
- The Taycan owner paid a **\$2,094 “co-pay”** out of pocket and initiated a class action lawsuit against State Farm.

Source: <https://www.local10.com/news/local/2024/02/27/south-florida-driver-part-of-class-action-claiming-state-farm-wasnt-there-for-them-failing-to-foot-repair-bills/>

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## Chubb Auto “Collision Repair Experts”

Chubb CRE's Manage complex claims regardless of vehicle value or client size and deal directly with shops, relieving clients of the need to engage in stressful discussions on topics most are unfamiliar with

- **13** Auto Collision Repair Experts(CREs) + 1 Supervisor
- Certified collision repair **experts**.
- Primary focus is **High Quality and Safe** repairs.
- Insist upon manufacturer approved repair techniques.
- Maintain **relationships** with manufacturer reps to obtain guidance on complex repairs and get difficult to obtain parts.



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## Chubb Direct Repair Program - Safety over Cost Cutting

Chubb network shops are selected based upon performing high quality repairs, not because they'll perform repairs at rock bottom prices.

*Masterpiece*  
**AUTO PREFERENCE**  
**SERVICES (MAPS)**

- 606 shops selected because they perform high quality repairs which are up to our high standards, not because they are cheap.
- Most are certified by high end manufacturers to repair the complex vehicles our clients own.
- We specify OEM parts and insist that cars be repaired in accordance with manufacturer approved repair techniques or not at all.
- We seek no discounts from MAPS shops as this can result in corner cutting that reduces repair quality and safety.

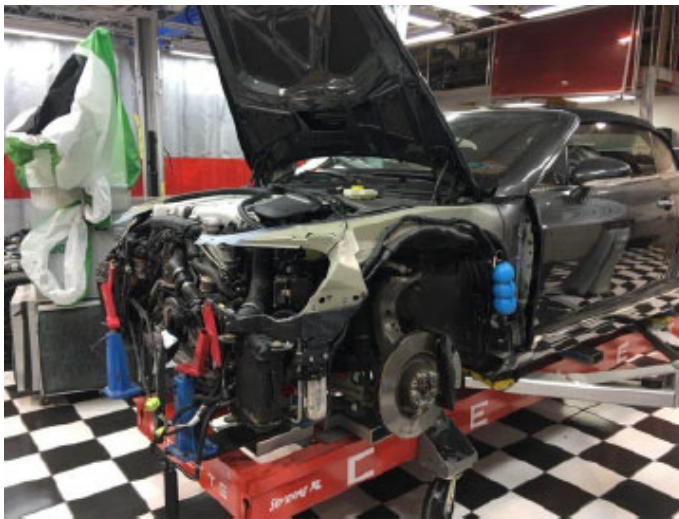
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## Certified Collision Repair Shops

Certified repair shops are trained by vehicle manufacturers on the proper way to repair vehicles to ensure all safety systems operate as designed in the event of a subsequent crash



- Certified repair shops invest heavily in technician training and tooling.
- The initial investment to become a certified shop can be in excess of \$250k.
- Technicians receive ongoing training to learn certified repair techniques.
- Shops must purchase and use tools such as welders, rivet guns, adhesive guns, etc. specific to each manufacturer's model and programs.
- Frame straightening machines like this one cost \$80k or more.

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## Parts Restrictions

High-end manufacturers like Audi, BMW, Mercedes, Porsche, Tesla, Volvo all have parts restrictions on structural high strength steel, aluminum and carbon fiber parts because they require factory training and specialized equipment to properly install



- Damage to restricted parts can't be repaired & parts must be replaced.
- OEMs will only sell restricted parts to certified shops and only certified shops have the training and tooling to properly install them.
- Since non-certified shops have no access to restricted parts, it's only possible for them to "repair" restricted parts which greatly compromises the vehicle's safety.

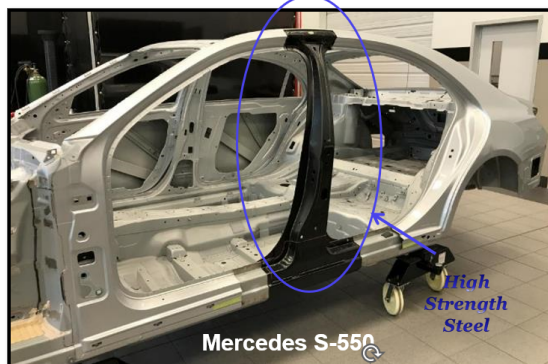


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## High Strength Steel (HSS)

High Strength Steel must always be replaced, never repaired.



- Heating or bending HSS back into shape will compromise its structural integrity putting vehicle occupants at risk.
- Shops that are untrained or unscrupulous may repair HSS.
- Our CREs help make sure this doesn't happen to our clients' vehicles.

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## Small Mistakes Can Have Serious Consequences

Side Airbags are crucial to protecting vehicle occupants in the event of "T-Bone" accident



- Sensors inside the vehicle's doors detect air pressure changes in order to deploy the side airbags.
- Improper door repairs can change the volume of air in the door, adversely impacting the timing of airbag deployment, compromising occupant safety.

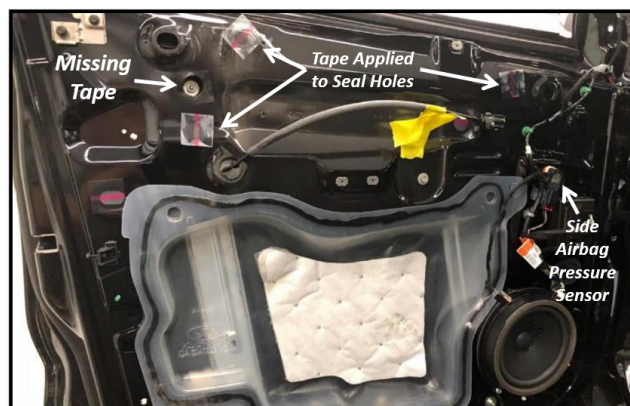
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## Small Mistakes Can Have Serious Consequences

Something as seemingly minor as not taping holes (as was done when the vehicle was manufactured) will throw off air pressure within the door and the timing of side airbag deployment.



2016 Ford Escape

- A Chubb Collision Repair Expert took this photo at a repair shop. He pointed out the missing tape to the shop technicians.
- None of the shop's technicians knew the airbag sensor utilized air pressure within the door.

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### Improperly Repaired Mercedes S550



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### Improperly Repaired Mercedes S550



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### Improperly Repaired Mercedes S550



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### Improperly Repaired Mercedes S550

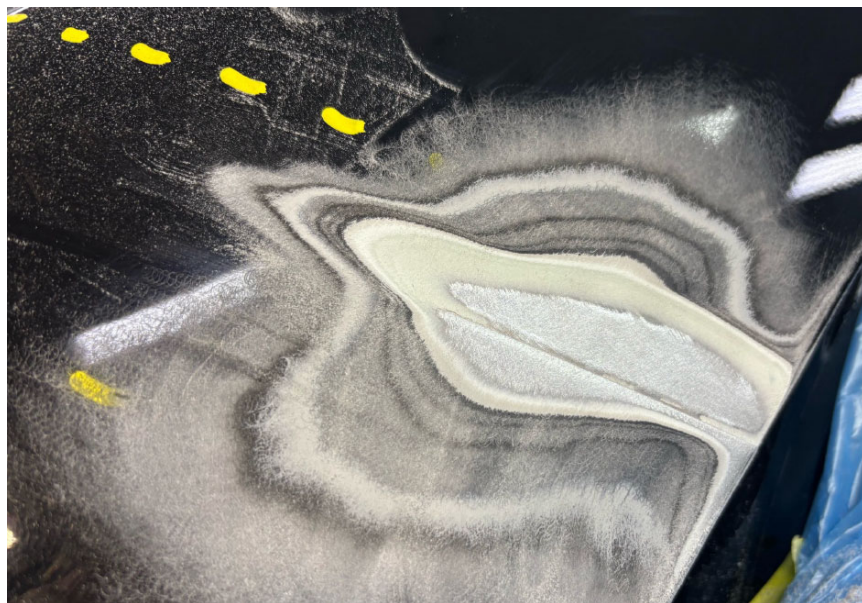


- Paint depth meter reading: 35.5 mils
- Normal paint depth reading: 3.5 – 5.5 mils
- 1 mil = 1/1000 inch

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### Improperly Repaired Mercedes S550



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### Improperly Repaired Mercedes S550



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### Improperly Repaired Mercedes S550



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### Improperly Repaired Mercedes S550



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## Improperly Repaired Mercedes S550

### **Excerpt from Client Letter:**

All I can say is this. Any successful business is about the people. I have been CEO of an S&P 500 company and today I am CEO and/or Chairman to 5 different biotech companies. I know what good looks like. I have hired, managed and led thousands of people in my career. Robert and Melissa are outstanding.

**The incident locks me in as a happy Chubb customer. In my circles of friends between Boston, Nantucket and Deer Valley Utah, where I own homes and cars...I will be telling my friends and colleagues about how Chubb does business...not to simply make money (though all businesses need to make money), but to insure and protect their customers to “do the right thing.” Doing the right thing is in fact the best way to build a successful business and make money.**

If I were starting a new business today, I would be looking for people like Robert and Melissa.

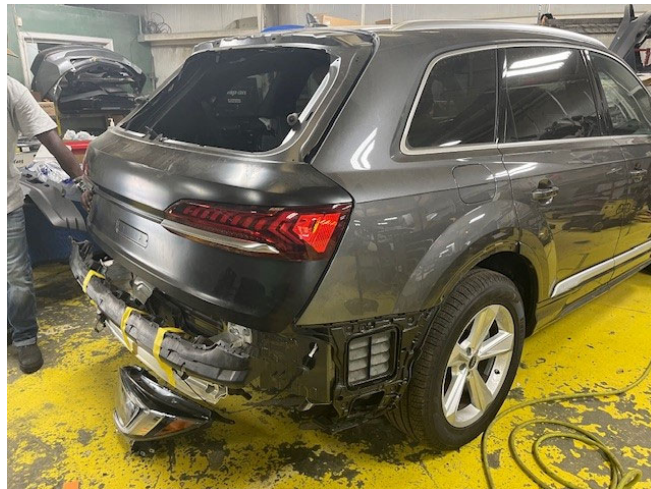
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## 2024 Audi Q7, Aluminium Construction

The client took the vehicle to a shop that wasn't certified by Audi



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## 2024 Audi Q7, Aluminium Construction

Not knowing that Audi doesn't permit unibody structural pulls, the shop damaged the rear body panel and inner reinforcement. Audi would not sell replacement parts to this non-certified shop because they're restricted.



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## 2024 Audi Q7, Aluminium Construction

Chubb Collision Repair Expert (CRE) stepped in and persuaded an Audi certified shop to assume the repair



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## Aftermarket, Junkyard & “Re-manufactured” Parts

Mass market carriers commonly use aftermarket, junkyard and remanufactured parts, while Chubb specifies OEM parts and procedures.



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## Aftermarket, Junkyard & “Re-manufactured” Parts

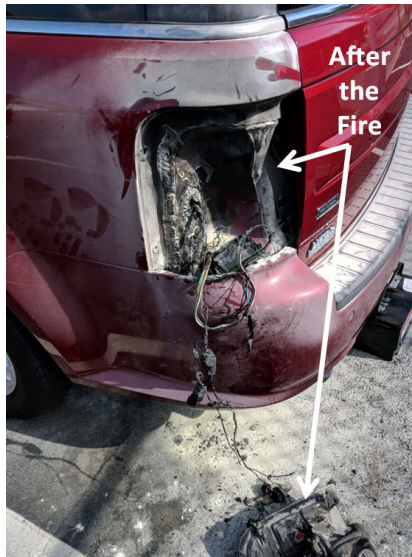


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## Aftermarket, Junkyard & “Re-manufactured” Parts



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## 2025 Crash Network Auto Insurer Report Card

CRASH Network is a weekly newsletter for the collision repair industry

Crash Network’s annual survey asks body shops to assign grades from A-F to insurers in response to the following question:

**“How well does this company’s claims handling policies, attitude and payment practices ensure quality repairs and customer service for motorists?”**

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### 2025 Insurer Report Card “Honor Roll”

The following list of 30 auto insurers made the Insurer Report Card “Honor Roll” by earning an overall grade of “B” or higher on a national basis. The maps show the states from which grades were received for each insurer.



<b>1</b>	<b>North Carolina Farm Bureau</b> <small>States: NC</small>	<b>A+</b>	Score: 1188
<b>2</b>	<b>Chubb</b> <small>States: AZ, CA, CO, CT, DC, DE, FL, GA, HI, IL, IN, KS, LA, MA, MD, ME, MI, MN, MO, NC, ND, NE, NY, OR, PA, RI, TN, TX, UT, VA, WA, WI</small>	<b>A</b>	Score: 1037
<b>3</b>	<b>Acuity Insurance</b> <small>States: AZ, CO, GA, IA, ID, IL, IN, KS, ME, MN, MO, MT, ND, NM, NY, OH, PA, SD, TN, UT, VT, WA, WI</small>	<b>A-</b>	Score: 1023
<b>4</b>	<b>Michigan Farm Bureau</b> <small>States: MI</small>	<b>A-</b>	Score: 1016
<b>5</b>	<b>Alfa Mutual</b> <small>States: AL, GA, MS</small>	<b>A-</b>	Score: 1010
<b>6</b>	<b>Erie Insurance</b> <small>States: DC, IL, IN, KY, MD, NC, NY, OH, PA, TN, VA, WI, WV</small>	<b>A-</b>	Score: 1003
<b>7</b>	<b>PURE Insurance</b> <small>States: AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, NC, ND, NE, NH, NJ, NM, NY, NY, OH, OR, PA, RI, SC, SD, TN, TX, UT, VA, VT, WA, WI, WV</small>	<b>B+</b>	Score: 971
<b>8</b>	<b>Grinnell Mutual</b> <small>States: IA, IL, IN, MN, MO, ND, NE, OH, OK, PA, SD, WI</small>	<b>B+</b>	Score: 965
<b>9</b>	<b>AIG Private Client</b> <small>States: AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, NC, ND, NE, NH, NJ, NM, NY, NY, OH, OR, PA, RI, SC, SD, TN, TX, UT, VA, VT, WA, WI, WV</small>	<b>B+</b>	Score: 912
<b>10</b>	<b>Mutual of Enumclaw</b> <small>States: AZ, ID, MT, OR, UT, WA, WY</small>	<b>B+</b>	Score: 910

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# 2025 Crash Network Auto Insurer Report Card

None of the 10 largest auto insurers scored higher than the national average (663) nor earned higher than a "C+" grade. More than 60 other companies scored higher.

**It's not getting better in 2025**

	Grade	Rank	Score
American Family	C+	62	613
Travelers	C	72	539
Nationwide	C	73	536
Progressive	C	75	487
Farmers Insurance	C-	79	453
GEICO	C-	80	415
State Farm	C-	81	406
USAA	D+	85	372
Liberty Mutual / Safeco	D+	89	320
Allstate	D	93	284

- Lower-graded insurers "tend to have less experienced claims personnel, push shops to install used or lower-quality parts, don't encourage the use of automaker recommended repair procedures, or are slow to respond to shops' requests for reviews and thus increase the time it takes to complete repairs for the customer."

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# Chubb Auto Marketing Flier

**CHUBB**  
Car insurance designed for today's luxury vehicles

Masterpiece® Auto Preference

No compromises. No cutting corners. Chubb makes it right.

As automotive technology advances and repairs become more complex, you need insurance that keeps up. Chubb offers broad coverage, so you never have to settle for "good enough."

You can count on the use of Original Equipment Manufacturer (OEM) parts and repair procedures overseen by our Collision Repair Experts, your choice of repair shop, and no unexpected out-of-pocket costs. You're even protected when other drivers aren't, with high limits of uninsured/underinsured motorist coverage. Plus, with industry-leading rental car coverage limits and no per-day maximum, you can keep driving the type of car you're accustomed to while your vehicle is being repaired.

**Chubb goes further for you:**

- Chubb insists on OEM parts and procedures to restore your car to the same look, feel, and function as before.
- Chubb's Collision Repair Experts are uniquely trained to oversee your repairs, prioritizing style and safety.
- No "co-pay" or unexpected out-of-pocket costs – Chubb pays full labor rates and follows correct procedures.
- Rental coverage up to \$15,000 with no per-day limit!
- Lost key fob replacement and lockout help, with no deductible or out-of-pocket cost.
- Up to \$10 million in uninsured or under-insured motorist coverage.
- Top rated by repair pros: #1 among all major U.S. auto insurers for seven consecutive years!
- Earn premium discounts for good driving habits by enrolling in Chubb SafeLuna™, a voluntary program that measures driving behaviors through the Chubb mobile app!

**CHUBB**

Your car's technology keeps you safe on the road. Chubb ensures repairs are done right, so you stay protected – without cutting corners.

We never compromise our clients' safety to reduce claim payouts. While some insurers may allow for the use of aftermarket, salvage, or remanufactured parts, Chubb insists on Original Equipment Manufacturer (OEM) parts and procedures, installed by highly trained technicians with specialized expertise and equipment.

Modern vehicles are highly complex, with components such as airbags, safety systems, and engines interconnected by thousands of semiconductors – up to twice as many in electric vehicles. Advanced, multi-material construction further enhances crash protection. Given this complexity, Chubb helps ensure that every repair is performed by knowledgeable professionals, equipped to do the job right.

**Airbags & Safety Systems**  
Part of an integrated safety network that may function differently in a crash.

**Backup Camera & Sensors**  
Critical for visibility and collision avoidance.

**Blind Spot Sensors**  
Produce alerts to alert drivers to help prevent side-impact collisions.

**Front Facing Cameras & Sensors**  
Critical for advanced emergency braking and parking.

**Advanced Multi-Material Frames**  
Absorb and alter high-impact energy. Absorb and alter high-impact energy. Absorb and alter high-impact energy. Impact events can weaken the structure and compromise safety.

**Vehicle Computer Systems**  
Help vehicles make thousands of micro-choices that control safety, performance, and diagnostics.

High strength steel  
Very high strength steel  
Extra high strength steel  
Ultra high strength steel  
Aluminum

\*Chubb is named as the top performing of major U.S. auto insurers for the seventh year in a row in CRISI's 2025 Insurer Report Card for quality repairs and customer service for repairs covered by traditional auto insurance. See [www.chubb.com/insurer-report-card](https://www.chubb.com/insurer-report-card) for more details.

Chubb is the leading U.S. insurer when it comes to satisfaction of Chubb's insured policyholders and claimants. One of 10 of these individuals also said our website at [www.chubb.com](https://www.chubb.com) is the easiest to use. Chubb is the most trusted insurance company in the U.S. based on Chubb's adherence to company principles. All statistics are the result of a survey. See [www.chubb.com/insurer-report-card](https://www.chubb.com/insurer-report-card) for more details. ©2025 Chubb. All rights reserved. For the complete list of policies and actual losses, contact your insurance agent or visit [www.chubb.com](https://www.chubb.com). 2025 (05/14/25)

Contact your insurance agent for a quote, or visit [chubb.com/auto](https://www.chubb.com/auto) to learn more.

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### 4. Total Thefts

While total thefts are down, thieves continue to target high-end makes such as Aston Martin, Bentley, Lamborghini, Mercedes G-class SUVs, Porsche, Range Rover and Rolls Royce. Clients are also seeing increased thefts by fraudulent transport providers.

Theft Tips	Transport Tips
Always remove the key fob	Engage only reputable, nationwide vehicle transport services
Garage the luxury vehicle	Avoid dispatch platforms & online marketplaces
Use alternative transportation in risky environments.	Discuss security protocols with the transport provider
Carefully vet service providers	Opt for enclosed vehicle transport
Program the car's HomeLink universal garage door opener	

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## 5. UM / UIM

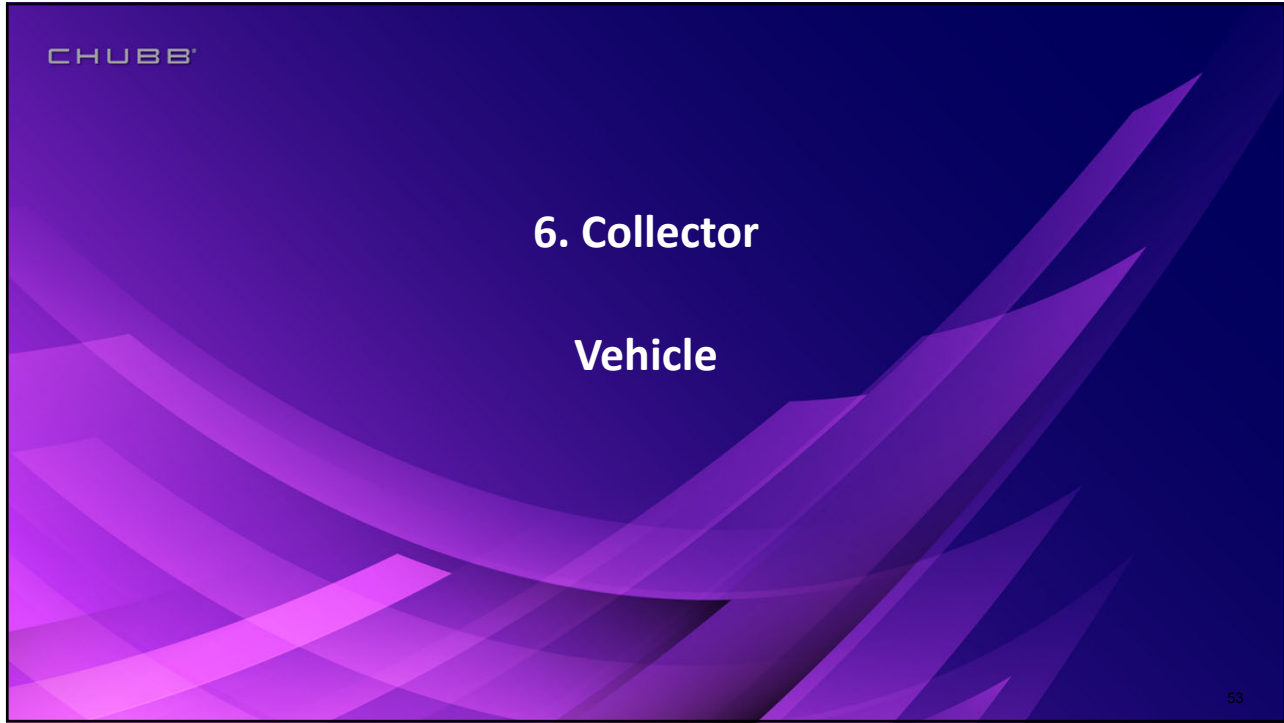
**15.4 of motorists in the US are uninsured and approximately 1/3 of vehicles are under-insured with minimum or very low liability limits**

Highest			Lowest		
Rank (2)	State	Percent uninsured	Rank (2)	State	Percent uninsured
1	Mississippi	28.2%	1	Maine	5.7%
2	New Mexico	24.1	2	Utah	6.2
3	D.C.	23.1	3	Idaho	6.4
4	Michigan	22.3	4	Wyoming	6.7
5	Tennessee	21.3	5	Montana	7.2
6	Missouri	20.7	6	West Virginia	7.8
7	Florida (3)	20.6	7	Massachusetts	7.9
8	California	20.4	8	New York	8.6
9	Colorado	19.7	9	South Dakota	9.4
10	Washington	19.1	10	Nebraska	9.5

Source: Insurance Research Council

- In addition to accidents, UM/UIM coverage also comes into play when clients are hit as pedestrians, while bike riding and as ride share passengers.
- Clients sometime skimp on UM/UIM coverage to reduce their premium, but this is not wise.
- UM/UIM = BI is good rule of thumb.


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## 6. Collector Vehicles


Chubb has been selling Auto insurance for a very long time....

- 1928 Chubb Auto policy covering a 1926 Ford Roadster.



- \$250 of Coverage for "Fire, Lightning & Transportation".
- Annual premium of \$3.50.




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## 6. Collector Vehicles

We are Experts at Managing Collector Vehicle Repairs



- 1956 MB 300SL
- AV: \$1.2M
- 1 Year Repair
- Full Re-Paint
- \$144k paid



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## 6. Collector Vehicles

We are Experts at Managing Collector Vehicle Repairs



- 1932 Alfa Romeo
- AV: \$3M
- 4 Year Repair
- Custom Fabricated Parts
- \$471k paid



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## 6. Collector Vehicles

Chubb is the right choice for clients with collector vehicles....

- Over 70 years of Collector Vehicle expertise
- Can be written on a mono line basis
- Can only be bound by Underwriting
- Credits Available for \$250k+ Collections (applied by underwriting)
- Discounted Panorama rating tier if 2 or more CVs on policy

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## 7. Electric Vehicles (Evs)

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## 7. Electric Vehicles

EV Sales are down due to the elimination of federal tax credits

New U.S. Electric Vehicle Sales and Share



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Source: KBB.com

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## 7. Electric Vehicles

EVs are more expensive than the average new car, but the gap is narrowing as competition increases

New Car Cost Average Transaction Price

	EVs	% Change		ALL	% Change	EV/All
<b>2019</b>	<b>\$54,669</b>		<b>2019</b>	<b>\$38,747</b>		<b>41.1%</b>
<b>2020</b>	\$53,811	-1.6%	<b>2020</b>	\$41,335	6.7%	<b>30.2%</b>
<b>2021</b>	\$63,821	18.6%	<b>2021</b>	\$47,243	14.3%	<b>35.1%</b>
<b>2022</b>	\$61,448	-3.7%	<b>2022</b>	\$49,507	4.8%	<b>24.1%</b>
<b>2023</b>	\$53,611	-12.8%	<b>2023</b>	\$48,759	-1.5%	<b>10.0%</b>
<b>2024</b>	\$55,544	3.6%	<b>2024</b>	\$49,740	2.0%	<b>11.7%</b>
<b>2025</b>	<b>\$58,034</b>	4.5%	<b>2024</b>	<b>\$50,326</b>	1.2%	<b>15.3%</b>
<b>2019 --&gt; 25</b>	<b>\$3,365</b>	<b>6.2%</b>	<b>2019 --&gt; 25</b>	<b>\$11,579</b>	<b>29.9%</b>	

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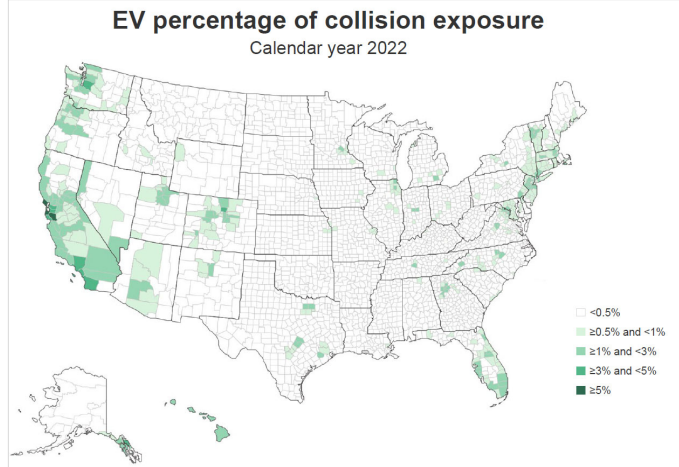
Source: KBB.com

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## 7. Electric Vehicles

EVs are concentrated in higher cost East & West Coast states and/or metro areas.



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Source: HLDI & Munich Re Perspectives on EVs, 10/08/24

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## 7. Electric Vehicles

EVs are complex to repair & have claim severities similar to those of luxury vehicles

	Current Year or Newer Group	1 - 3 Years Old	4 - 6 Years Old	7 Years and Older	Total
EV	\$6,781	\$6,817	\$6,350	\$5,966	\$6,689
NON EV	\$5,803	\$5,515	\$4,911	\$3,527	\$4,491
% Difference	16.8%	23.6%	29.3%	69.1%	48.9%

- EVs remain considerably more expensive to repair vs non-EVs due to greater use of light weight materials, safety requirements such as battery pack removal before painting, the need for highly trained (and paid) technicians and most parts being bonded/riveted to the vehicle's structure leading more parts being replaced vs repaired.

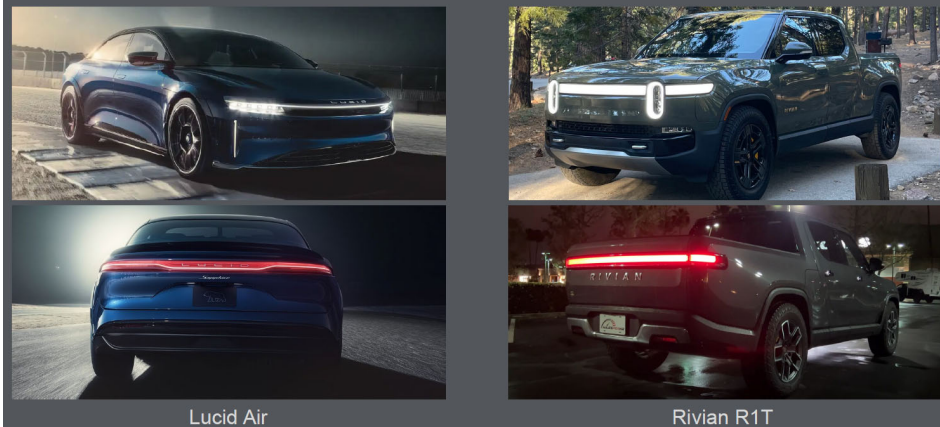
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## 7. Electric Vehicles

### EV Design Contributes to Higher Collision/PD Severities



Lucid Air

Rivian R1T

- It is common for EVs to have expensive light bars that add significantly to Collision and Property Damage severities.

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Source: HLDI & Mitchell Perspectives on EVs, 01/23/25

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## 7. Electric Vehicles

### EV Design Contributes to Higher Collision/PD Severities

FORD F-150, ICE Version

FORD F-150, EV Version



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Source: HLDI & Mitchell Perspectives on EVs, 01/23/25

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## 7. Electric Vehicles

HLDI found that EV non-crash fire frequency is lower than conventional vehicles. This is true for both EVs with corresponding conventional versions and for Teslas when compared to similar non-EV luxury vehicles.

**Table 1: Electric vehicles and their conventional counterparts noncrash fire exposure and claim frequency**

Model years	Make	Electric series	Conventional Series	Electric exposure	Conventional exposure	Electric claims	Conventional claims	Electric claim frequency	Conventional claim frequency
2014-16	Chevrolet	Spark EV electric 5dr	Spark 5dr	31,690	474,842	3	96	0.9	1.8
2013-19	Fiat	500 electric 2dr	500 2dr	90,765	510,390	20	118	2.2	2.3
2012-18	Ford	Focus electric 5dr	Focus 5dr	33,717	3,037,032	7	548	2.1	1.8
2022-23	Ford	F-150 Lightning EV CR 4x4	F-150 crew cab 4x4	1,689	52,265	0	6	0.0	1.1
2013	Honda	Fit EV station wagon	Fit station wagon	728	584,560	0	52	0.0	0.9
2019-23	Hyundai	Kona electric 4dr	Kona 4dr	25,471	227,500	3	16	1.2	0.7
2015-19	Kia	Soul electric station wagon	Soul station wagon	24,378	2,443,881	4	1,008	1.6	4.1
2020-23	Mini	Cooper electric 2dr	Cooper 2dr	6,341	27,003	1	0	1.6	0.0
2013-17	Smart	Electric drive 2dr	ForTwo 2dr	20,177	151,999	4	47	2.0	3.1
2013-15, 2017	Smart	Electric drive convertible	ForTwo convertible	1,853	12,173	0	3	0.0	2.5
2012-14	Toyota	RAV4 EV 5dr 2WD	RAV4 4dr 2WD	12,194	1,402,616	1	235	0.8	1.7
2015-19	Volkswagen	E-Golf electric 4dr	Golf 4dr	66,362	316,203	12	40	1.8	1.3
2021-23	Volvo	XC40 recharge EV	XC40	8,273	39,559	1	4	1.2	1.0
<b>Total</b>				<b>323,638</b>	<b>9,280,023</b>	<b>56</b>	<b>2,163</b>	<b>1.7</b>	<b>2.3</b>
2012-18	Tesla	Model S EV 5D 2WD	Large luxury cars	332,368	10,914,741	55	2,272	1.7	2.1
2014-23	Tesla	Model S EV 5D 4WD	Large luxury cars	458,514	7,658,659	66	1,361	1.4	1.8
2017-23	Tesla	Model 3 EV 4D 2WD	Midsize luxury cars	618,132	7,677,240	47	1,013	0.8	1.3
2018-23	Tesla	Model 3 EV 4D 4WD	Midsize luxury cars	603,452	5,411,148	52	642	0.9	1.2
2016-23	Tesla	Model X EV 4D 4WD	Large luxury SUVs	305,400	4,219,277	43	653	1.4	1.5
2021-23	Tesla	Model Y EV 4D 2WD	Midsize luxury SUVs	11,287	2,047,275	2	194	1.8	0.9
2020-23	Tesla	Model Y EV 4D 4WD	Midsize luxury SUVs	376,408	4,123,983	39	376	1.0	0.9
<b>Tesla total</b>				<b>2,705,561</b>	<b>42,052,323</b>	<b>304</b>	<b>6,511</b>	<b>1.1</b>	<b>1.5</b>

Comparison of EVs that have a corresponding conventional (ICE) model

Comparison of Tesla Models to Conventional (ICE) vehicles with similar prices & features

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Source: HLDI Bulletin Volume 40, Number 6: April 2023

(Claims/10,000 Vehicle years)

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