



# The Chubb Corporation

## Corporate Governance Guidelines

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### Introduction

The Board of Directors of The Chubb Corporation has adopted the following Corporate Governance Guidelines. They are based on the Corporation's By-Laws, on practices that have evolved over time and on requirements established by the New York Stock Exchange (NYSE) and the Securities and Exchange Commission (SEC).

These Guidelines will be posted on the Corporation's website along with the Corporation's Certificate of Incorporation, By-Laws, Code of Business Conduct and Code of Ethics for the CEO and Senior Financial Officers and the Charters of the Board's Corporate Governance & Nominating Committee, Audit Committee, and Organization & Compensation Committee. Copies of each of such documents are also available in print on request from the Corporation's Secretary.

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### Board Membership and Qualifications

**Board Size.** The Corporation's By-Laws provide that the Board will have at least seven directors. The practice has been to have between 9 and 14 directors. The Board has elected to preserve its flexibility as to the actual number so that it is not constrained in its ability to add outstanding candidates.

**Independence.** The Board will have a majority of directors who meet the criteria for independence required by applicable law and the NYSE. No member of the Board will be considered independent unless the Board affirmatively determines that he or she has no material relationship with the Corporation (either directly or as a partner, member, shareholder or officer of an organization that has a relationship with the Corporation).

In accordance with the requirements of the NYSE, the Board, upon the recommendation of the Corporate Governance & Nominating Committee, has identified a number of relationships between directors and the Corporation the existence of which would prevent a director from being considered independent. These relationships are described below.

- **Employees and Consultants:** Unless otherwise permitted by the rules of the NYSE, any director who (a) is, or has been within the last three years, an employee of the Corporation, or has an immediate family member who is, or has been within the last three years, an executive officer, of the Corporation, or (b) has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 ---in direct compensation from the Corporation, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).
- **Auditors of the Corporation:** Unless otherwise permitted by the rules of the NYSE, any director who: (a) is a current partner or employee of a firm that is the Corporation's internal or external auditor; (b) has an immediate family member who is a current partner of such a firm; (c) an immediate family member who is a current employee of such a firm and personally works on the listed company's audit; or (d) is, or has an immediate family member who was, within the last three years a partner or employee of such a firm and personally worked on the Corporation's audit within that time.
- **Compensation Committee Interlocks:** Unless otherwise permitted by the rules of the NYSE, any director who is, or has an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of the Corporation's present executive officers at the same time serves or served on that company's compensation committee.

- **Certain Business Relationships:** Unless otherwise permitted by the rules of the NYSE, any director who is a current employee, or has an immediate family member who is a current executive officer, of a company that has made payments to, or received payments from, the Corporation for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of such other company's consolidated gross revenues.
- **Insurance Products:** Unless otherwise approved by the Corporate Governance & Nominating Committee, the purchase of any insurance, reinsurance or other risk transfer product from one of the Corporation's subsidiaries other than in the ordinary course of its business on an arm's length basis by any director, an immediate family member of a director or an entity or organization in which a director (or any member of such director's immediate family) is an executive officer, partner, member, principal or holds a similar position.
- **Certain Charitable Organizations:** Any director who is affiliated as an officer, director or trustee of any charitable organization to which, during the current or any of the preceding three years, the Corporation has made charitable contributions, other than charitable contributions (a) pursuant to the Corporation's Matching Gifts Program on terms applicable to employees and directors of the Corporation, (b) in amounts that do not exceed \$25,000 per annum, or (c) with the approval of the Corporate Governance & Nominating Committee.

For purposes of any independence determination, a director's immediate family consists of the director's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, anyone (other than domestic employees) who shares such person's home and any other persons so deemed under applicable law or by the NYSE.

**Role of the Corporate Governance & Nominating Committee.** The Corporate Governance & Nominating Committee of the Board is responsible for, among other things, identifying and recommending director candidates to the Board. The goals of the Corporate Governance & Nominating Committee include (a) recruiting qualified independent directors consisting of persons with diverse backgrounds and skills who have the time and ability to exercise independent judgment and perform the Board's oversight function effectively and who meet the needs of the Board as determined by the Board based on the assessment and recommendation of the Corporate Governance & Nominating Committee from time to time, and (b) identifying the respective qualifications needed for directors serving on the committees of the Board and serving as chairmen of such committees, and recommending to the Board the nomination of persons meeting such respective qualifications to the appropriate committees of the Board and as chairmen of such committees. The Board recognizes the importance of soliciting new candidates for membership on the Board and that the needs of the Board, in terms of the relative experience and other qualifications of candidates, may change over time. Consistent with its Charter, the Corporate Governance & Nominating Committee is responsible for screening candidates (in consultation with the Chairman of the Board and the Lead Director), for assessing the appropriate mix of skills and experience and background for nominees and, based thereon, for recommending to the Board a slate of nominees for election to the Board at the annual meeting of shareholders. Final approval of any candidate is determined by the full Board.

**Director Candidate Considerations.** In selecting nominees for election to the Board, the Corporate Governance & Nominating Committee will consider:

- the personal and professional ethics, integrity and values of the candidate;
- the independence of the candidate under legal, regulatory and other applicable standards, including the ability of the candidate to represent all shareholders of the Corporation without any conflicting relationship with any particular constituency;
- the diversity of the existing Board, so that the Board is a diverse body, with diversity reflecting gender, ethnic background, geographic and professional experience;
- whether the professional experience and industry expertise of the candidate will complement that of the existing Board;
- the compatibility of the candidate with the existing Board;

- the length of tenure of the members of the existing Board;
- the number of other public company boards of directors on which the candidate serves or intends to serve, with the expectation that the candidate would not serve on the boards of directors of more than four other public companies;
- the number of public company audit committees on which the candidate serves or intends to serve, with the expectation that, if the candidate is to be considered for service on the Board's Audit Committee, the candidate would not serve on the audit committees of more than two other public companies;
- the candidate's service on the boards of directors of other for profit, not-for-profit, trade associations or industry associations;
- the ability and willingness of the candidate to devote sufficient time to carrying out his/her Board duties and responsibilities effectively;
- the commitment of the candidate to serve on the Board for an extended period of time; and
- such other attributes of the candidate and external factors as the Corporate Governance & Nominating Committee deems appropriate.

The Corporate Governance & Nominating Committee exercises its discretion in assigning weight to these considerations. The importance of these factors may vary from candidate to candidate. The Corporate Governance & Nominating Committee may, in its discretion, engage one or more search firms to assist in the recruitment of director candidates.

**Nominating Procedures.** The primary purpose of the Corporate Governance & Nominating Committee's process for recommending nominees is to identify and recruit outstanding individuals to serve on the Board. The Corporate Governance & Nominating Committee meets every year to consider the slate of nominees for election at the succeeding year's annual meeting. If it deems appropriate, the Corporate Governance & Nominating Committee will schedule follow-up meetings and interviews with potential candidates. The Corporate Governance & Nominating Committee will submit its recommended nominee slate to the entire Board for approval.

The Corporate Governance & Nominating Committee will consider candidates recommended by directors, members of management and shareholders.

The procedures for shareholders to propose director candidates are set forth in Article I, Section 10 of the Corporation's By-Laws. In addition to complying with the notice provisions described in the By-Laws, shareholders proposing director candidates must provide:

- all information relating to each person whom the shareholder proposes to nominate for election as a director as would be required to be disclosed in a solicitation of proxies for the election of such person as a director pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if so elected);
- the name and address of the shareholder giving the notice, as they appear on the Corporation's books, and of the beneficial owner of those shares; and
- the class and number of shares which are owned beneficially and of record by the shareholder and the beneficial owner.

The Corporate Governance & Nominating Committee may make such additional inquiries of the candidate or the proposing shareholder as the Corporate Governance & Nominating Committee deems appropriate. This information is necessary to allow the Corporate Governance & Nominating Committee to evaluate the shareholder's proposed candidate on the same basis as those candidates referred through directors, members of management or by consultants the committee retains. The Corporate Governance & Nominating Committee will not consider any candidate who it concludes does not meet its minimum director qualifications described above.

Shareholders wishing to propose a candidate for consideration should refer to the Corporation's By-Laws, the SEC rules relating to shareholder proposal submission procedures and the section of the Corporation's most recent proxy statement entitled "[Year] Shareholder Proposals and Nominations." Submissions should be sent to:

Corporate Secretary  
The Chubb Corporation  
15 Mountain View Road, P.O. Box 1615  
Warren, New Jersey 07061-1615.

**Voting for Directors.** If, in an election of directors where the number of nominees equals the number of directors to be elected (an Uncontested Election), an incumbent nominee for director receives a greater number of votes "withheld" from his or her election than votes "for" such election (a Majority Withheld Vote) and such individual otherwise would remain in office pursuant Section 14A:6-3 of the New Jersey Business Corporation Act (or any successor provision), such individual shall promptly tender his or her resignation following certification of the shareholder vote for such Uncontested Election.

The Corporate Governance & Nominating Committee will promptly consider any resignation so tendered as provided above and recommend to the Board whether it should accept such resignation, such recommendation to be made no later than 45 days following the date of the shareholders' meeting. The Board will consider such recommendation and make its determination whether to accept such resignation as promptly as practicable after receiving the recommendation of the Corporate Governance & Nominating Committee and in any event no later than 90 days following the date of the shareholders' meeting.

In formulating its recommendation, the Corporate Governance & Nominating Committee, and in making its determination the Board, shall consider all factors deemed relevant by the respective members, including:

- the stated reasons, if any, why shareholders "withheld" votes for election of the relevant director;
- whether such stated reasons relate to some attribute or other condition that can be reasonably cured by such director or the Corporation;
- the qualifications of such director;
- whether by accepting such resignation the Corporation will no longer be in compliance with any applicable law, rule, regulation or governing document (including any rule of any stock exchange on which any securities of the Corporation are at the time traded) (Applicable Requirements);
- any actions that the Corporation reasonably could take to enable the Corporation to accept such resignation but continue to comply with all Applicable Requirements, including identifying other alternative qualified director candidates;
- reducing the size of the Board or any committee thereof; or
- changing the composition of any Board committee and whether not accepting the resignation is in the best interests of the Corporation and its shareholders.

Any director who tenders his or her resignation as provided above will not participate in any meetings of the Corporate Governance & Nominating Committee or the Board (or portions thereof) at which such resignation is considered. If a majority of the members of the Corporate Governance & Nominating Committee receives in the same Uncontested Election a Majority of Withheld Votes, then the independent directors of the Corporation who did not receive a Majority of Withheld Votes in such Uncontested Election will appoint a committee amongst themselves to consider any such resignation and make a recommendation to the Board whether to accept it. If there are no such independent directors, then all of the independent directors, excluding the director whose particular resignation is being considered, shall constitute a committee to consider such recommendation and make a recommendation to the Board whether to accept it.

***Term Limits and Changes in Professional Activities.*** The Board believes that variety in the lengths of service among the directors benefits the Corporation. Therefore, no term limits for service on the Board have been established. As an alternative to term limits, all director nominations are considered annually by the Corporate Governance & Nominating Committee. This allows the Board to consider the continued service of each director and it allows each director the opportunity to confirm his or her desire to continue as a member of the Board. Individual directors who change the responsibility they held when they were elected to the Board, including any directors who were officers of the Corporation, should notify the Corporate Governance & Nominating Committee. While it is not the sense of the Board that in every instance the directors who retire or change from the position they held when they came on the Board should necessarily leave the Board, the Board believes that it would be appropriate in such circumstances to consider, through the Corporate Governance & Nominating Committee, the desirability of continued Board membership under the circumstances.

***Retirement.*** No director may be nominated to a new term if he or she would be age 72 or older at the time of the election.

***Vacancies.*** In the event of any vacancy on the Board, the Corporate Governance & Nominating Committee may identify one or more candidates to fill the vacancy. The remaining directors may fill the vacancy in accordance with the procedures set forth in the Corporation's By-Laws.

***Outside Directorships and Committee Service.*** The Corporation does not have a policy with respect to the number of boards of directors on which a director may serve. While it is generally expected that directors will not serve on the boards of directors of more than four other public companies, the Corporate Governance & Nominating Committee will consider service on other boards along with the individual circumstances of each director in connection with his or her annual selection process. Directors should advise the Chairman of the Board, the Lead Director and the Chairman of the Corporate Governance and Nominating Committee in advance of accepting an invitation to serve on the board of directors of another public company.

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#### **Chairman of the Board, Chief Executive Officer and Lead Director**

***Offices of Chairman of the Board and Chief Executive Officer.*** The offices of the Chairman of the Board and the Chief Executive Officer have been at times combined and at times separated. The Board has exercised discretion in combining or separating the positions as it has deemed desirable or appropriate in light of prevailing circumstances. The Board believes that the combination or separation of these offices should continue to be considered as part of the succession planning process. If the Board determines to elect from among the non-management directors a person to serve as Chairman of the Board, the Board retains the right to determine that such person meets the criteria for independence, subject to applicable law and the requirements of the NYSE. The Chairman of the Board is elected annually by the Board.

***Lead Director.*** When the office of Chief Executive Officer is combined with the office of Chairman of the Board, or if the Chairman of the Board otherwise is not independent, the Board will annually elect an independent director to serve as Lead Director to ensure the independence and proper functioning of the Board.

The Lead Director will have the following authority:

- to act as a liaison between the Chairman and the independent directors
- to call special meetings of the Board;
- to call special meetings of any committee of the Board;
- with the consent of a majority of the members the Board's Executive Committee, to call special meetings of the shareholders;
- in the absence of the Chairman of the Board, to preside at meetings of the Board;
- to preside at all executive sessions of the non-management directors;
- to preside at all executive sessions of the independent directors;
- in the absence of the Chairman of the Board, to preside at shareholder meetings;

- to provide direction regarding the meeting schedule, information to be sent to the Board and the agenda for the Board meetings to assure that there is sufficient time for discussion of all agenda items;
- at the Lead Director's election, to attend committee meetings of any committee on which he or she is not otherwise a member;
- to hire independent legal, financial or other advisors as he or she deems desirable or appropriate, without consulting or obtaining the approval of any officer of the Corporation in advance; and
- to exercise such additional powers as may be conferred upon the office of Lead Director by resolution of the Board or the Corporate Governance & Nominating Committee from time to time.

The Lead Director will serve on the Executive Committee of the Board and is eligible to serve on any or all other committees of the Board. The office of Lead Director is not subject to term limits.

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## **Director Responsibilities**

**Basic Duties and Responsibilities.** The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Corporation and its shareholders. In discharging that obligation, directors may rely on the honesty and integrity of the Corporation's senior officers and its outside advisors and auditors.

**Meeting Attendance.** Directors are expected to attend all Board meetings, meetings of committees on which they serve and the annual meeting of shareholders. Directors are expected to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Attendance in person at regular meetings of the Board and at most regular meetings of committees is expected, although exceptions may be made by the Chairman of the Board, the Lead Director or the Chairman of a committee if extenuating circumstances require telephonic participation. Special meetings of the Board, meetings of the Executive Committee and special meetings of committees and subcommittees and quarterly meetings of the Audit Committee held in advance of the release of earnings may be attended by telephone.

**Review of Advance Materials.** Preparatory materials are distributed in advance of both Board and committee meetings and directors and committee members are responsible for the review of such materials prior to and in preparation for such meetings.

**Schedule.** The Board holds regular meetings at least six times a year. Additional meetings may be scheduled as desirable or appropriate in light of circumstances. Committees meet separately and on schedules consistent with their Charters, if applicable, or their responsibilities and at the call of their respective Chairmen, as desirable or appropriate in light of the circumstances.

**Executive Sessions.** The non-management directors generally meet in executive session at each regular meeting of the Board, but in no event less than four times a year, and at such other times as the Corporate Governance & Nominating Committee, the Chairman of the Board or the Lead Director may determine to be desirable or appropriate. The non-management directors also generally meet in executive session with the Chief Executive Officer at each regular meeting of the Board, but in no event less than four times a year, and at such other times as the Corporate Governance & Nominating Committee, the Chairman of the Board or the Lead Director may determine to be desirable or appropriate. The Lead Director presides at such executive sessions.

**Independent Director Sessions.** In the event that any non-management directors are not independent, the independent directors will meet in executive session without management and the non-independent directors at least once a year at such time or times as may be designated by the Corporate Governance & Nominating Committee, the Chairman of the Board or the Lead Director. The Lead Director presides at all such executive sessions.

**Board and Committee Agenda.** The agenda for Board is set by the Chairman of the Board in consultation with the Lead Director. The agenda for committee meetings are set by the respective committee Chairmen with input from management and other directors. Directors may suggest the addition of any matter to a meeting agenda. The Board reviews the Corporation's

business plan, strategy and risk management during at least one Board meeting each year and management presentations are scheduled to allow for question-and-answer sessions and open discussions of key policies and practices.

**External Communication.** The Board believes that, generally, it is in the best interests of the Corporation that designated members of management speak for the Corporation in accordance with the Corporation's External Communication Policy applicable to all employees of the Corporation and its subsidiaries. Individual Board members may, from time to time and with the knowledge of management, meet or otherwise communicate with various constituencies that are involved with the Corporation.

**Code of Business Conduct and Code of Ethics for CEO and Senior Financial Officers; Legal Compliance and Ethics.** The Board has adopted a Code of Business Conduct and a Code of Ethics for the Chief Executive Officer and the Senior Financial Officers of the Corporation. In recognition of the Corporation's commitment to maintaining high standards of conduct, any waiver of the Code of Business Conduct for executive officers or directors and any waiver of the Code of Ethics for the Chief Executive Officer and Senior Financial Officers may be made only by the Board and must be promptly disclosed to shareholders. The Board and the Chief Executive Officer have designated an executive officer as the Chief Ethics Officer with responsibility for ensuring that the Corporation's legal compliance and ethics program is effective under applicable law and regulations. The Chief Ethics Officer chairs a Legal Compliance and Ethics Committee consisting of senior officers from units of the Corporation and its operating subsidiaries. In order to assist the Audit Committee in its oversight responsibilities and the Board in being knowledgeable about the content and operation of the Corporation's legal compliance and ethics program, the Chief Ethics Officer shall report, on no less than a quarterly basis, to the Audit Committee and, on no less than an annual basis, to the Board on the operation, contents and effectiveness of the program. The Chief Ethics Officer shall also report, as appropriate, to one or more other committees of the Board on matters within their respective responsibilities.

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## Board Committees

**Committee Structure.** The Board uses an active committee structure. The Board will at all times have an Audit Committee, an Organization & Compensation Committee and a Corporate Governance & Nominating Committee. All of the members of these committees will be independent directors under applicable criteria established by the NYSE and the SEC.

In addition the Board has an Executive Committee and a Finance Committee. From time to time, the Board may designate ad hoc committees and each committee may designate ad hoc subcommittees, in each case in accordance with applicable law, the Corporation's By-Laws, the resolutions creating them and any applicable Charter. The Chairman of the Board, if he or she is not a member of management, will be a voting member of the Executive Committee and a non-voting ex officio member of each of the other standing committees of the Board.

**Committee Charters and Committee Responsibilities.** Each of the Audit Committee, Organization & Compensation Committee and Corporate Governance & Nominating Committee will have its own Charter, which will be reviewed and reassessed annually. The principal responsibilities of the other standing committees of the Board are as follows:

- The Executive Committee is chaired by the Chairman of the Board, and its other members include the Lead Director and the Chairmen of the Board's other standing committees. Non-management directors are always in the majority. Under the Corporation's By-Laws, the Executive Committee has the authority to exercise, so far as may be permitted by law, all the powers of the Board in the management of the business, property and affairs of the Corporation during the intervals between the meetings of the Board. The Executive Committee meets as required between Board meetings.
- The Finance Committee is chaired by the Corporation's Chief Executive Officer and is further comprised of two to seven other directors. Non-management directors are always in the majority. The Finance Committee meets quarterly and as otherwise may be required. Meetings include review of the Corporation's capital and liquidity positions, rating agency matters and the objectives and performance of the Corporation's investment portfolios along with updates on the economy and market conditions.

**Committee Assignments.** Historic practice has reflected the value in having both long-term experience on each committee and a practice in place which allows directors to rotate among committees. Committee members will be appointed by the Board upon recommendation of the Corporate Governance & Nominating Committee, with this concept in mind. As part of its annual review process, it is expected that the Corporate Governance & Nominating Committee will recommend that any person who has served as a Chairman of a standing committee of the Board for five consecutive years will rotate off of that position except that the Corporate Governance & Nominating Committee may recommend appointing as a Chairman a person who has served in that position for five or more consecutive years if warranted by special circumstances such as a transition or proposed transition of management.

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### **Director Access to Management and Independent Advisors**

The Board welcomes regular attendance at each Board meeting of members of senior management of the Corporation. In addition to regular presentations by and discussions with management at Board and committee meetings, directors have full and free access to officers and employees of the Corporation. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer, the Corporate Secretary or directly by the director.

In accordance with their respective responsibilities, the Board and the committees regularly receive presentations by and have discussions with independent advisors to the Corporation. Directors have full and free access to such advisors outside of meetings as they deem desirable or appropriate. In addition, the Board, the Chairman of the Board, the Lead Director and each committee of the Board have the power to hire independent legal, financial or other advisors as they deem desirable or appropriate, without consulting or obtaining the approval of any officer of the Corporation in advance.

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### **Director Compensation**

The Organization & Compensation Committee shall recommend the form and amount of non-employee director compensation to the Corporate Governance & Nominating Committee which, in turn, will recommend final action to the Board on such matters. Differences in responsibilities and time spent in serving the Corporation by a non-management Chairman of the Board, Lead Director, members of committees and Chairmen of committees will be considered in determining the appropriate compensation for each of the directors.

Directors who are employees of the Corporation will not be compensated for their services as members of the Board or as members of the board of directors (or similar body) of any of the Corporation's subsidiaries or affiliates.

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### **Director and Executive Stock Ownership Guideline**

**Director Guidelines.** Effective in June 2003, the Board has adopted a stock ownership guideline suggesting that within five years of the later of June 2003 and the date of first being elected to the Board, each non-management director should achieve an ownership level in the Corporation's common stock or common stock equivalents, such as market value equivalents, which have a value equal to five times the annual stipend paid to non-management directors for Board service. A director will be deemed to satisfy the ownership guideline, regardless of the actual value of his or her position in the Corporation's common stock and common stock equivalents, if, for each of the last five years, the director has elected to defer receipt of all director stipends, committee stipends, meeting fees and equity compensation awards.

**Executive Guidelines.** The Board has adopted stock ownership guidelines for certain officers of the Corporation and its subsidiaries as set forth in the following table.

<b>Pay Band</b>	<b>Ownership Level</b>
15 (Chief Executive Officer)	5 times salary
14 (Vice Chairmen)	3 times salary
13 (Executive Vice Presidents/Senior Vice Presidents)	2 times salary
12 (Remaining Senior Vice Presidents)	1 times salary

The stock ownership guidelines provide for a five year phase-in period, meaning that an officer has five years from the later of the effective date of the guidelines or becoming an officer subject to the guidelines and to reach the applicable ownership level. The guidelines credit executives for shares held outright, shares allocated to their accounts in our retirement plans, unvested restricted stock and restricted stock units and any shares that have been earned but the payment of which has been deferred. Included among shares earned but deferred will be all shares issuable upon the expiration of the restrictive period applicable to any award of restricted stock or restricted stock units made to the Chief Executive Officer, who will defer receipt of all such shares until termination of his employment.

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### **Director Orientation and Continuing Education**

All new directors participate in the Corporation's Director Orientation Program. This orientation includes presentations by senior management to familiarize new directors with the Corporation's strategic plans, its significant financial, accounting and risk-management issues; its compliance programs; its conflict policies and controls; its principal officers; and its internal and independent auditors. All other directors are also invited to attend the Director Orientation Program. All directors are also encouraged to participate in continuing education forums for directors, as they or the Board determine is desirable or appropriate from time to time.

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### **Chief Executive Officer Evaluation and Management Succession**

The Organization & Compensation Committee conducts an annual review of the Chief Executive Officer's performance and establishes and maintains a succession plan for the Chief Executive Officer and the rest of senior management, as set forth in its Charter. The Board reviews the report of the Organization & Compensation Committee in order to ensure that the Chief Executive Officer is providing the best leadership for the Corporation in the long- and short-term and to keep the Board informed with respect to Chief Executive Officer succession planning.

In the event of an emergency or the retirement of the Chief Executive Officer, the Corporate Governance & Nominating Committee may recommend to the Board the appointment of an interim Chief Executive Officer or act itself or through a designated subcommittee consisting of such directors as it deems desirable or appropriate, as a search committee to identify and evaluate potential successors to the Chief Executive Officer and to recommend to the Board a candidate or candidates for election as Chief Executive Officer.

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### **Annual Performance Evaluation**

Each of the Board and the Audit, Corporate Governance & Nominating and Organization & Compensation Committees conducts an annual self-evaluation to determine whether it is functioning effectively. In addition, each director receives an annual performance evaluation. The Corporate Governance & Nominating Committee has established the procedures for these evaluations and periodically reviews and, as appropriate, updates these procedures.

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### **Shareholder Access to the Board of Directors**

Shareholders interested in contacting the Board, the Chairman of the Board, the Lead Director or any individual director are invited to do so by writing to:

Board of Directors of The Chubb Corporation  
c/o Corporate Secretary  
15 Mountain View Road, P.O. Box 1615  
Warren, New Jersey 07061-1615.

Complaints and concerns relating to the Corporation's accounting, internal accounting controls or auditing matters should be communicated to the Audit Committee of the Board using the procedures described below under "Access to Audit Committee." All other shareholder communications addressed to the Board will be referred to the Lead Director and tracked by the Office of the Corporate Secretary. Shareholder communications addressed to a particular director will be referred to that director.

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## Access to the Audit Committee

Anyone who has a concern about the Corporation's accounting, internal accounting controls, or auditing matters may communicate that concern to the Audit Committee of the Board, which consists solely of non-employee directors.

Any such communication may be anonymous and may be reported to the Audit Committee through the Company's General Counsel as follows:

In writing to:     General Counsel  
                    The Chubb Corporation  
                    15 Mountain View Road, P.O. Box 1615  
                    Warren, New Jersey 07061-1615.

By e-mail to:     GeneralCounsel@chubb.com

All such concerns will be reviewed under Audit Committee direction and oversight by the General Counsel, Internal Audit, or such other persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee. The General Counsel will prepare a periodic summary report of all such communications for the Audit Committee.

The Code of Business Conduct provides that the Corporation will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding accounting matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.