CHUBB CORP
Form DEF 14A
March 28, 2003

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SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES EXCHANGE ACT OF 1934 (AMENDMENT NO.)

Filed by the Registrant [X]

Filed by a Party other than the Registrant [ ]

Check the appropriate box:

[ ]	Preliminary Proxy Statement	[ ]	Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

[X]
Definitive Proxy Statement
[ ]
Definitive Additional Materials
[ ]
Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-2.

The Chubb Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-12.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3)

Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

[ ] Fee paid previously with preliminary materials.

[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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THE CHUBB CORPORATION

NOTICE OF 2003 ANNUAL MEETING OF SHAREHOLDERS

DATE AND TIME	Tuesday, April 29, 2003 at 10:00 a.m. local time
PLACE	Amphitheater The Chubb Corporation 15 Mountain View Road Warren, New Jersey
ITEMS OF BUSINESS	(1) To elect 17 directors to serve until the next annual meeting of shareholders and until their respective successors are elected and qualify. (2) To approve The Chubb Corporation 2003 Producer Stock Incentive Plan. (3) To transact such other business as may be properly brought before the meeting and at any adjournment thereof.
RECORD DATE	You are entitled to vote at the annual meeting and at any adjournment thereof if you were a shareholder of record at the close of business on Monday, March 10, 2003.
VOTING BY PROXY	To assure your representation at the annual meeting, please fill in, sign, date and return the accompanying proxy in the enclosed addressed envelope, or follow the directions accompanying the proxy to vote using a touch-tone telephone or by accessing the Internet. The giving of a proxy will not affect your right to revoke the proxy by appropriate written notice or to vote in person should you later decide to attend the annual meeting.

By order of the Board of Directors

HENRY G. GULICK
Vice President and Secretary

March 28, 2003

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2003 ANNUAL MEETING OF SHAREHOLDERS

PROXY STATEMENT

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THE CHUBB CORPORATION

15 Mountain View Road, P.O. Box 1615, Warren, New Jersey 07061-1615

PROXY STATEMENT

PROXY AND VOTING INFORMATION

Chubb s board of directors has provided you with these proxy materials in connection with its solicitation of proxies to be voted at the annual meeting of shareholders. We will hold the annual meeting on Tuesday, April 29, 2003 at the Amphitheater at The Chubb Corporation, 15 Mountain View Road, Warren, New Jersey, beginning at 10:00 a.m. local time. Please note that throughout the proxy materials we refer to The Chubb Corporation as Chubb, we, or our. We first began mailing this proxy statement and accompanying proxy to our shareholders on March 28, 2003.

Who Can Vote

Shareholders of record of our common stock at the close of business on March 10, 2003 may vote at the annual meeting.

How Many Shares Can Be Voted

Each shareholder has one vote for each share of common stock owned at the close of business on March 10, 2003, the record date. On the record date, 171,230,396 shares of our common stock were outstanding.

How You Can Vote

Record Holders. If your shares are registered in your name with EquiServe Trust Company, N.A., our dividend agent, transfer agent and registrar, you are considered a shareholder of record, and these proxy materials are being sent directly to you by us. Shareholders of record can vote in person at the annual meeting or give their proxy to be voted at the meeting in any one of the following ways:

- over the Internet;
- by telephone; or
- by completing and mailing the enclosed proxy card.

The Internet and telephone voting procedures have been set up for your convenience. These procedures are designed to authenticate your identity, to allow you to give voting instructions and to confirm that those instructions have been recorded properly. If you are a shareholder of record and you would like to vote by using the Internet or by telephone, please refer to the specific instructions contained in the enclosed proxy card. If you wish to vote using the enclosed proxy card, please sign and return your signed proxy before the annual meeting, and we will vote your shares as you direct.

Chubb Plan Participants. If you are a participant in our Employee Stock Ownership Plan or our Capital Accumulation Plan (our 401(k) plan), your proxy will incorporate all shares allocated to you in the plans (Plan Shares), which you may vote over the Internet, by telephone, by completing and mailing the enclosed proxy card or by voting in person at the meeting. Your proxy will serve as a voting instruction for the trustees of those plans.

Brokerage and Other Account Holders. You are considered to be the beneficial owner of shares held for you in an account by a broker, bank or other nominee. These proxy materials are being forwarded to you with respect to those shares by your broker, bank or nominee who is the shareholder of record. You have the right to direct your broker, bank or nominee on how to vote, and you may also attend the annual meeting. Your broker, bank or nominee has enclosed a voting instruction card. Beneficial owners of shares who wish to vote at the meeting must obtain a legal proxy from their broker, bank or nominee and present it at the meeting. The availability of telephone and Internet voting for beneficial owners will depend on the voting processes of your broker, bank or nominee. Please refer to your voting instruction card or contact your broker, bank or nominee.

Voting. Whether you vote over the Internet, by telephone or by mail, you can specify whether your shares should be voted for all, some, or none of the nominees for election as director (Proposal 1 on the proxy card). You can also specify whether you approve or disapprove of, or abstain from, Proposal 2. If you abstain, your vote will not count for or against Proposal 2. If you duly execute the proxy card but do not specify how you want to vote your shares, your shares will be voted as the board of directors recommends, which is For the election of all nominees for director as set forth under Proposal 1 below, and For the approval of The Chubb Corporation 2003 Producer Stock Incentive Plan as described in Proposal 2 below.

Revocation of Proxies

If you are a shareholder of record or a holder of Plan Shares, you may revoke your proxy at any time before it is exercised in any of four ways:

(1) by notifying our Secretary in writing;

(2) by delivering a duly executed proxy bearing a later date;

(3) by properly submitting a new timely and valid proxy via the Internet or by telephone after the date of the revoked proxy; or

(4) by voting in person at the annual meeting.

You will not revoke a proxy merely by attending the annual meeting; to revoke a proxy, you must take one of the actions described above.

If you hold your shares in a brokerage or other account, you may submit new voting instructions by contacting your broker, bank or nominee.

Required Votes

The presence, in person or by proxy, of the holders of a majority of all outstanding shares of our common stock entitled to vote at the annual meeting is necessary to constitute a quorum. For Proposal 1, the election of directors, directors are elected by a plurality of the votes cast at the annual meeting. This means that the 17 nominees receiving the greatest number of votes will be elected as directors. Approval of Proposal 2, The Chubb Corporation 2003 Producer Stock Incentive Plan, requires the affirmative vote of a majority of the votes cast on that proposal at the meeting; provided that the total votes cast on the proposal represent a majority of the outstanding shares entitled to vote on the proposal. Abstentions are counted as shares present at the meeting for purposes of determining a quorum. Similarly, shares which brokers do not have the authority to vote in the absence of timely instructions from beneficial owners (broker non-votes) are also counted as shares present at the meeting for purposes of determining a quorum. Abstentions and broker non-votes are not considered votes cast and will not be counted either for or against these proposals and, accordingly, will have no effect on the outcome of the vote.

Other Matters to be Acted Upon at the Meeting

Our board of directors is presently not aware of any other matters other than those specifically stated in the Notice of Annual Meeting, which are to be presented for action at the annual meeting. If any other matter other than those described in this proxy statement is presented at the annual meeting on which a vote may properly be taken, the shares represented by proxies will be voted in accordance with the judgment of the person or persons voting those shares.

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Our Annual Report and Form 10-K

A copy of our annual report to shareholders for 2002, which is not a part of the proxy soliciting materials, accompanies this proxy statement and proxy.

Our annual report on Form 10-K, which was filed with the Securities and Exchange Commission, is available on our Internet website at www.chubb.com/investors. The annual report on Form 10-K is also available without charge by sending a written request to The Chubb Corporation to the attention of Henry G. Gulick, Vice President and Secretary, 15 Mountain View Road, P.O. Box 1615, Warren, New Jersey 07061-1615.

PROPOSAL 1

ELECTION OF DIRECTORS

Each nominee for director was previously elected by the shareholders at our 2002 annual meeting, and has served continuously since then, other than John D. Finnegan who was elected as a director by the board effective December 1, 2002 and Daniel E. Somers who was nominated for election as a director by the board on March 24, 2003. If elected, each director will serve until the next annual meeting of shareholders and until his or her successor is duly elected and qualified. The board of directors expects that all of the nominees named in this proxy statement will be available for election, and, if elected, will be willing to serve as a director. If any nominee is not available, then the proxies may vote for a substitute as may be designated by the board, unless the board reduces the number of directors. The board of directors has, in accordance with our by-laws, fixed the number of directors to be elected at 17.

Our Corporate Governance Guidelines provide that no director may be nominated to a new term if the director would be age 72 or older at the time of election. The age limit may be extended for up to one year in an extraordinary circumstance identified by the board, including a transition or proposed transition of management. In light of the retirement of Dean R. O Hare as our chief executive officer, effective December 1, 2002, and our hiring of John D. Finnegan as our new chief executive officer, our Corporate Governance & Nominating Committee recommended extending the age limit for one year for Warren B. Rudman, who will be age 72 at the time of the annual meeting, and our board nominated him for election as a director.

Percy Chubb, III serves as Director Emeritus. Mr. Chubb has been associated with Chubb since 1958. He served as Vice Chairman of Chubb from 1986 to 1997 and as a director from 1978 to 2002. In 2002, Mr. Chubb retired from the board of directors, but, at the request of the board, agreed to serve as Director Emeritus. At the request of the board this year, he has agreed to continue to serve in this capacity until the next annual meeting of shareholders. As Director Emeritus, Mr. Chubb may attend board meetings, but does not have a vote with respect to matters brought before the board.

Information as to each nominee follows. Unless otherwise indicated, each nominee has served for at least five years in the business position currently or most recently held. The age of each director is as of April 29, 2003, the date of the annual meeting.

The board of directors recommends that you vote for each of the following nominees for director.

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NOMINEES FOR DIRECTOR

ZOË BAIRD (Age 50)
Director since 1998

President of the Markle Foundation, a private philanthropy that focuses on using information and communications technologies to address critical public needs, since January 1998. Ms. Baird previously had been Senior Vice President and General Counsel of Aetna, Inc., an international insurance company, from 1990 to 1996. She was Staff Executive of General Electric Co. from 1986 to 1990 and was a partner in the international law firm of O Melveny and Myers from 1981 to 1986. Ms. Baird founded and chairs Lawyers for Children America, which is concerned with the impact of violence on children. Ms. Baird is a member of the Council on Foreign Relations and the American Law Institute, and serves on the boards of Save the Children, the James A. Baker III Institute for Public Policy, the Mexican American Legal Defense and Education Fund, The Brookings Institution, and the Institute for State Studies at Western Governors University.

JOHN C. BECK (Age 71)
Director since 1988

Of Counsel at Beck, Mack & Oliver LLC, an investment counseling firm, since January 2002. Mr. Beck has been associated with Beck, Mack & Oliver since 1958 and first became a partner in 1962. Mr. Beck also serves on the board of Russell Reynolds Associates, Inc.

SHEILA P. BURKE (Age 52)
Director since 1997

Under Secretary for American Museums and National Programs, Smithsonian Institution, since June 2000. Ms. Burke previously had been Executive Dean and Lecturer in Public Policy of the John F. Kennedy School of Government, Harvard University, from November 1996 until June 2000. Ms. Burke is also a Trustee of the American Board of Internal Medicine Foundation, Marymount University and the University of San Francisco and is a member of the Medicare Payment Advisory Commission. Ms. Burke also serves on the boards of Community Health Systems, Wellpoint Health Networks, the Kaiser Family Foundation, the Center for Health Care Strategies Inc., the Kaiser Commission on the Future of Medicaid and Uninsured and The National Advisory Council at the Center for State Health Policy.

JAMES I. CASH, JR. (Age 55)
Director since 1996

The James E. Robison Professor of Business Administration, Harvard University. Professor Cash has been a member of the Harvard Business School faculty since 1976. He also serves on the boards of General Electric Company, Microsoft Corporation and Scientific Atlanta, Inc. Professor Cash is also a Trustee of the Massachusetts General Hospital and Partners Healthcare and an overseer of the Boston Museum of Science.

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JOEL J. COHEN (Age 65)
Director since 1984

Chairman (non-executive) of Chubb s board of directors since December 2002. Mr. Cohen previously was Managing Director and co-head of Global Mergers and Acquisitions at Donaldson, Lufkin & Jenrette Securities Corporation (DLJ), a leading investment and merchant bank that in 2000 was acquired by Credit Suisse First Boston, until his retirement in November 2000. He had been associated with DLJ since October 1989. He had previously served as General Counsel to the Presidential Task Force on Market Mechanisms and as a partner of Davis Polk & Wardwell, attorneys. Mr. Cohen also serves on the boards of Borders Group, Inc. and Maersk, Inc.

JAMES M. CORNELIUS (Age 59)
Director since 1998

Chairman of the Board (non-executive) of Guidant Corporation, which designs and develops cardiovascular medical products. Mr. Cornelius previously had served as executive Chairman of Guidant from 1995 until his retirement as an employee in August 2000. Mr. Cornelius serves on the boards of Guidant Corporation, Hughes Electronics Corporation and Given Imaging, Ltd. Mr. Cornelius also serves as Trustee for DePauw University and Treasurer of the Board of Governors of the Indianapolis Museum of Art.

JOHN D. FINNEGAN (Age 54)
Director since 2002

President and Chief Executive Officer of Chubb since December 2002. Mr. Finnegan previously had been Executive Vice President of General Motors Corporation, which is primarily engaged in the development, manufacture and sale of automotive vehicles, and Chairman and President of General Motors Acceptance Corporation, a finance company and subsidiary of General Motors Corporation, from May 1999 to December 2002. He was Vice President and Group Executive of General Motors and also President of General Motors Acceptance Corporation from November 1997 to April 1999. Mr. Finnegan was associated with General Motors from 1976 to December 2002. Mr. Finnegan also serves on the board of the United Negro College Fund.

DAVID H. HOAG (Age 63)
Director since 1994

Former Chairman, The LTV Corporation, a manufacturer of steel products, from January 1991 until his retirement in February 1999. On December 29, 2000, The LTV Corporation and 48 of its direct and indirect subsidiaries filed voluntary petitions under Chapter 11 of the United States Code in the United States Bankruptcy Court for the Northern District of Ohio, Eastern Division. Mr. Hoag also serves on the boards of Brush Engineered Products, The Lubrizol Corporation, NACCO Industries, Inc. and PolyOne. Mr. Hoag is also a Trustee of Allegheny College and University Hospitals Cleveland.

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KLAUS J. MANGOLD (Age 59)
Director since 2001

Chairman and a Member of the Board of Management, DaimlerChrysler Services AG, a provider of financial services and a subsidiary of DaimlerChrysler AG, since 1995. DaimlerChrysler AG is primarily engaged in the development, manufacture, distribution and sale of a wide range of automotive products. Mr. Mangold also serves on the boards of DaimlerChrysler AG, HVB Real Estate Bank AG, Jenoptik AG and Rhodia S.A.

WARREN B. RUDMAN (Age 72)
Director since 1993

Of Counsel to Paul, Weiss, Rifkind, Wharton & Garrison LLP, attorneys, since January 2003. From 1993 to 2002, he was a partner at that law firm. Senator Rudman previously had been a United States Senator from New Hampshire from 1980 to 1993. Senator Rudman is Co-Chairman of the Concord Coalition and serves on the Senior Advisory Board of the Institute of Politics of the John F. Kennedy School of Government at Harvard University. Senator Rudman also serves on the boards of Allied Waste Industries, Inc., Collins & Aikman Corporation, Boston Scientific Corporation and Raytheon Company and several funds in the Dreyfus Family of Mutual Funds.

SIR DAVID G. SCHOLEY, CBE (Age 67)
Director since 1991

Senior Advisor, UBS Warburg and its predecessor firms, a global, integrated investment services firm and bank, since 1995. He is Chairman of the Trustees of the National Portrait Gallery, London, of the International Council of INSEAD and of the Governors of Wellington College. He is also Chairman of Close Brothers Group plc and serves on the boards of Anglo American plc and Vodafone Group plc.

RAYMOND G.H. SEITZ (Age 62)
Director since 1994

Vice Chairman, Lehman Bros. International (Europe), a global investment bank, since April 1995, following his retirement as Ambassador of the United States of America to the Court of St. James. Ambassador Seitz also serves on the boards of Pacific Century CyberWorks and Rio Tinto plc.

LAWRENCE M. SMALL (Age 61)
Director since 1989

Secretary of the Smithsonian Institution since January 2000. The Smithsonian Institution is the world s largest museum and research complex, with 16 museums and galleries, the National Zoo, and several research facilities around the world. Mr. Small previously had been President and Chief Operating Officer of Fannie Mae, a shareholder-owned New York Stock Exchange listed company and the nation s largest source of financing for home mortgages, from 1991 to 2000. Mr. Small also serves on the boards of Marriott International, Inc., New York City s Spanish Repertory Theatre, Mt. Sinai-New York University Medical Center and Health System, the National Gallery of Art, the John F. Kennedy Center for the Performing Arts and the Woodrow Wilson International Center for Scholars.

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DANIEL E. SOMERS (Age 55)
Nominee for Director

Vice Chairman of Blaylock and Partners LP, an investment banking firm, since January 2002. Mr. Somers previously had been President and Chief Executive Officer of AT&T Broadband, a provider of cable and broadband services, from December 1999 to October 2001 and Senior Executive Vice President and Chief Financial Officer at AT&T Corp., a telecommunications company, from May 1997 to December 1999. Mr. Somers serves on the boards of Hyperchip, Inc., The Lubrizol Corporation, Raindance Communications, Inc. and Yotta Yotta, Inc. He is also Vice Chairman of the Board of Trustees of Stonehill College and serves on the board of The Newark Boys Chorus School.

KAREN HASTIE WILLIAMS (Age 58)
Director since 2000

Partner, Crowell & Moring LLP, attorneys, since 1982. Ms. Williams also serves on the boards of Continental Airlines Inc., Gannett Company, Inc., SunTrust Banks, Inc. and Washington Gas Light Holdings, Inc. She is also Trustee, Amherst College, Black Student Fund and NAACP Legal Defense and Education Fund.

JAMES M. ZIMMERMAN (Age 59)
Director since 1998

Chairman of the Board of Federated Department Stores, Inc., operators of full-line department stores in the United States. Mr. Zimmerman previously had been Chairman and Chief Executive Officer of Federated Department Stores, Inc. from May 1997 to February 2003 and President and Chief Operating Officer from March 1988 to May 1997. Mr. Zimmerman also serves on the boards of Federated Department Stores, Inc., H.J. Heinz Company, Goodyear Tire and Rubber Company and Convergys Corporation.

ALFRED W. ZOLLAR (Age 48)
Director since 2001

General Manager, eServer iSeries, IBM Corporation, which manufactures and sells computer services, hardware and software, since January 2003. Mr. Zollar previously had been General Manager, Lotus Software, which designs and develops business software and is a subsidiary of IBM Corporation, from 2000 to January 2003; General Manager, Network Computing Software Division, IBM Corporation, from 1998 to 2000; and General Manager, Network Software, IBM Corporation, from 1996 to 1998. Mr. Zollar also serves on the board of the Executive Leadership Council.

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SECURITY OWNERSHIP OF CERTAIN

BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information concerning the only person or entity known to us to be the beneficial owner of more than 5% of our outstanding common stock. The information below is as reported by that entity in statements filed with the Securities and Exchange Commission.

Name and Address	Amount and Nature of Beneficial Ownership of Common Stock(1)	Percent of Class(2)
AXA	16,074,307	9.4%

(1) Reflects ownership as of December 31, 2002 as reported on a Schedule 13G filed with the Securities and Exchange Commission jointly by AXA, located at 25, avenue Matignon, 75008 Paris, France; its subsidiary, AXA Financial, Inc., located at 1290 Avenue of the Americas, New York, NY 10104; and the following entities which, as a group, control AXA: AXA Conseil Vie Assurance Mutuelle; AXA Assurances I.A.R.D. Mutuelle and AXA Assurances Vie Mutuelle, each located at 370, rue Saint Honore, 75001 Paris, France; and AXA Courtage Assurance Mutuelle, located at 26, rue Louis le Grand, 75002 Paris, France. The voting and investment power of the various holders with respect to these shares is set forth in the Schedule 13G. These holders have certified that these shares of our common stock were acquired in the ordinary course of business and were not acquired for the purpose of, and do not have the effect of changing or influencing the control of Chubb and were not acquired in connection with or as a participant in any transaction having such purpose or effect.

(2) Based upon 171,230,396 shares of our common stock outstanding as of March 10, 2003.

The following table sets forth certain information regarding the beneficial ownership of our common stock and common stock-based holdings by each of our directors and nominees for director, by each of our executive officers named in the Summary Compensation Table in this proxy statement and by our directors and executive officers as a group.

Name and Address(1)	Amount and Nature of Beneficial Ownership of Common Stock(2)	Deferral Plan(3)	Percent of Class(4)
Zoë Baird(5)	16,500	1,589	*
John C. Beck(6)	80,450	18,250	*
Sheila P. Burke(7)	24,265		*
James I. Cash, Jr.(8)	30,000		*
Joel J. Cohen(9)	97,247	14,009	*
James M. Cornelius(10)	31,000	2,277	*
John D. Finnegan	92,887		*
David H. Hoag(11)	36,634	1,594	*
Klaus J. Mangold(12)	4,100		*
Warren B. Rudman(13)	40,200	3,792	*
Sir David G. Scholey, CBE(14)	45,000	3,649	*
Raymond G. H. Seitz(15)	32,200	698	*
Lawrence M. Small(16)	65,634	5,198	*
Daniel E. Somers			*
Karen Hastie Williams(17)	8,100		*
James M. Zimmerman(18)	22,320	1,347	*
Alfred W. Zollar(19)	9,500		*

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Name and Address(1)	Amount and Nature of Beneficial Ownership of Common Stock(2)	Deferral Plan(3)	Percent of Class(4)
John J. Degnan(20)	533,278		*
Paul J. Krump(21)	89,111		*
Thomas F. Motamed(22)	511,540		*
Dean R. O Hare(23)	1,081,706		*
Michael O Reilly(24)	408,389		*
All directors and executive officers as a group(25)	3,602,837	52,403	2.1%

* Less than 1%.

(1) Unless otherwise indicated, the business address of each director and executive officer named in this table is c/o The Chubb Corporation, 15 Mountain View Road, Warren, New Jersey 07061-1615.

(2) Unless otherwise indicated, share amounts are as of March 10, 2003 and each person has sole voting and investment power with respect to the shares listed.

(3) Includes compensation allocated to the Market Value Account of the Deferred Compensation Plan for Directors (see Corporate Governance Directors Compensation in this proxy statement). The value of units allocated to this account is based upon the per share price of our common stock at December 31, 2002 of $52.20. These units are payable in shares of common stock following termination of service or a specified date but do not have current voting or investment power.

(4) Based upon 171,230,396 shares of our common stock outstanding as of March 10, 2003.

(5) Includes 16,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(6) Includes 20,850 shares held in accounts managed by Beck, Mack & Oliver LLC (for which Mr. Beck disclaims beneficial ownership), 1,000 shares held in a trust for Mr. Beck s benefit and 56,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non- Employee Directors.

(7) Includes 24,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(8) Includes 28,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(9) Includes 52,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors and 36,347 shares that may be purchased within 60 days pursuant to an outstanding special stock option grant.

(10) Includes 20,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(11) Includes 32,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors and 3,634 shares that may be purchased within 60 days pursuant to an outstanding special stock option grant.

(12) Includes 4,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(13) Includes 40,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(14) Includes 100 shares owned by a member of Sir David Scholey s family who lives in his home (for which Sir David Scholey disclaims beneficial ownership) and 44,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(15) Includes 32,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(16) Includes 52,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors and 3,634 shares that may be purchased within 60 days pursuant to an outstanding special stock option grant.

(17) Includes 8,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(18) Includes 20,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(19) Includes 8,000 shares that may be purchased within 60 days pursuant to The Chubb Corporation Stock Option Plans for Non-Employee Directors.

(20) Includes 471,914 shares which Mr. Degnan has the right to purchase within 60 days under The Chubb Corporation Long-Term Stock Incentive Plans, 3,748 shares in the Corporation Stock Fund of the Capital Accumulation Plan of The Chubb Corporation, Chubb & Son Inc. and Participating Affiliates and 2,627 shares that were allocated to Mr. Degnan pursuant to The Chubb Corporation Employee Stock Ownership Plan (the ESOP).

(21) Includes 67,907 shares which Mr. Krump has the right to purchase within 60 days under The Chubb Corporation Long-Term Stock Incentive Plans and 2,574 shares that were allocated to Mr. Krump pursuant to the ESOP.

(22) Includes 457,074 shares which Mr. Motamed has the right to purchase within 60 days under The Chubb Corporation Long-Term Stock Incentive Plans, 885 shares in the Corporation Stock Fund of the Capital Accumulation Plan of The Chubb Corporation, Chubb & Son Inc. and Participating Affiliates and 2,893 shares that were allocated to Mr. Motamed pursuant to the ESOP.

(23) Includes 708 shares held by members of Mr. O Hare s family who live in his home (for which Mr. O Hare disclaims beneficial ownership), 6,451 shares held by a family limited partnership (for which Mr. O Hare disclaims beneficial ownership), 921,213 shares which Mr. O Hare has the right to purchase within 60 days pursuant to The Chubb Corporation Long-Term Stock Incentive Plans and 2,799 shares that were allocated to Mr. O Hare pursuant to the ESOP.

(24) Includes 328,886 shares which Mr. O Reilly has the right to purchase within 60 days under The Chubb Corporation Long-Term Stock Incentive Plans and 3,560 shares that were allocated to Mr. O Reilly pursuant to the ESOP.

(25) Includes 3,200 shares which executive officers other than those listed in the table above disclaim beneficial ownership, 10,427 shares which were allocated to executive officers other than those listed in the table above pursuant to the ESOP and 224,945 shares which executive officers other than those listed in the table above have the right to purchase within 60 days under The Chubb Corporation Long-Term Stock Incentive Plans.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors and executive officers and persons who beneficially own more than ten percent of our common stock to file reports of securities ownership and changes in such ownership with the Securities and Exchange Commission.

Based solely upon a review of copies of such reports or written representations that all such reports were timely filed, we believe that each of our directors, executive officers and greater than ten percent beneficial owners complied with all Section 16(a) filing requirements applicable to them during 2002, with the exception of Michael J. Marchio, an Executive Vice President of Chubb & Son, a division of Federal Insurance Company, who, due to an administrative error, failed to include in his initial Form 3 filed on December 12, 2002 a stock option grant for 2,444 shares of our common stock, which grant was reported on an amended Form 3 on February 3, 2003.

CERTAIN TRANSACTIONS

Transactions with Certain Shareholders

At December 31, 2002, AXA was the beneficial owner of more than 5% of our outstanding common stock. During 2002, our property and casualty insurance subsidiaries assumed reinsurance from a subsidiary of AXA, on which the subsidiaries earned a margin of $8.3 million. Our property and casualty insurance subsidiaries also ceded reinsurance to several AXA insurance subsidiaries during 2002 under various contracts.

Transactions with Directors, Executive Officers and their Associates

UBS AG of Switzerland, through its affiliated companies, provides certain securities transaction services to us and to our subsidiaries. Sir David G. Scholey, CBE is a Senior Advisor to UBS Warburg, the investment banking division of UBS AG of Switzerland. Lehman Brothers, through its affiliated companies, also provides certain securities transaction services to us and to our subsidiaries. Ambassador Raymond G. H. Seitz is a Vice Chairman of Lehman Bros. International (Europe), an affiliate of Lehman Brothers. We believe that our transactions with these firms are effected on terms as favorable to us and to our subsidiaries as could be obtained from other sources in view of the nature of the services rendered.

During 2002, certain of our subsidiaries engaged the services of the law firm of Paul, Weiss, Rifkind, Wharton & Garrison LLP, of which Warren B. Rudman was, through December 31, 2002, a partner, and has become of counsel. We intend to engage the firm for legal services in 2003.

In 2002, we made several donations to charitable organizations with which certain of our directors (or members of their immediate families) were affiliated. These donations are described in greater detail under Corporate Governance Director Independence in this proxy statement.

CORPORATE GOVERNANCE

Our management and board of directors have a strong commitment to effective corporate governance. Our board has reviewed and considered with management the governance-related provisions of the Sarbanes-Oxley Act of 2002, proposed and adopted rules of the Securities and Exchange Commission and proposed amendments to the listing standards of the New York Stock Exchange. In compliance with the rules that have been adopted and in anticipation of the adoption of the proposed rule changes, we amended the charter of our Audit Committee and amended our Corporate Governance Guidelines. We also adopted charters for our Corporate Governance & Nominating Committee and our Organization & Compensation Committee, and we adopted a Code of Ethics for CEO and Senior Financial Officers. We will further amend, if necessary, those documents to incorporate any changes made in the final rules and standards as they are eventually adopted.

A copy of the charter for each of our Audit Committee, Corporate Governance & Nominating Committee and Organization & Compensation Committee and a copy of our Corporate Governance Guidelines and our Code of Ethics for CEO and Senior Financial Officers are available on our Internet website at www.chubb.com/investors by clicking on Corporate Governance. Copies are also available upon request from our Corporate Secretary. Copies of our restated certificate of incorporation, and by-laws are also available on our Internet website and from our Corporate Secretary. Our Audit Committee Charter is attached to this proxy statement as Annex A.

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Director Independence

Our board of directors reviews each director s independence annually in accordance with the standards set forth in our Corporate Governance Guidelines. No member of the board of directors will be considered independent unless the board of directors determines that the director had no material relationship with us that would affect the director s independence.

Further, unless otherwise permitted by the New York Stock Exchange, to be independent, no director, or member of his or her immediate family, can have, in the past five years, been employed by us, been affiliated with or employed by a present or former auditor of Chubb or any of our affiliates or have been part of an interlocking directorate in which one of our executive officers serves on the compensation committee of another corporation that concurrently employs the director.

Because Chubb acts primarily as a holding company, our board believes that it is in the best interests of Chubb and its shareholders for its principal operating subsidiary, Federal Insurance Company, to have a majority of its directors meet the criteria for independence applicable to directors of Chubb, although not required by law or the New York Stock Exchange. As a result, for 2002, Chubb, as the sole shareholder of Federal Insurance Company, elected to its board of directors the members of the Chubb board, and persons who serve as members of committees of the Chubb board were appointed by the board of directors of Federal Insurance Company to serve on the same committees of the board of directors of Federal Insurance Company. The Chubb board believes that such board and committee responsibilities are consistent with the independence requirements applicable to service on the Chubb board and its committees and that simultaneous service on the Chubb board and on the board of directors of Federal Insurance Company and their respective committees enhances the effectiveness of such service.

In determining whether a director has had a material relationship with us, our Corporate Governance Guidelines have established three categorical standards. As long as a director has no relationships with Chubb other than those identified within the categorical standards noted below and other than service on the board and committees of the board of directors of Federal Insurance Company, a director will be considered independent. Relationships which are not within the categorical standards may, in the board s judgment, be deemed not to be material, and the director will be considered independent if, after taking into account all relevant facts and circumstances, the board determines that the existence of the relationship would not impair the director s independence. The three categorical standards are:

- Chubb has made no charitable contributions to any organization with which a director, or any member of a director s immediate family, is affiliated as an officer, director or trustee other than:
  - pursuant to our Matching Gifts Program on terms applicable to employees and directors; or
  - in amounts that do not exceed $25,000 per year.
- Chubb has no commercial relationship with an entity or organization in which a director, or any member of the director s immediate family, is an executive officer, partner, member, principal or holds a similar position, other than an entity or organization that does business with us and the annual sales to, or purchases from, us are less than one percent of our annual revenue and less than one percent of the annual revenue of the other entity or organization.
- Chubb has not issued any insurance or reinsurance policies or entered into other risk transfer arrangements to or with a director, any member of the director s immediate family or to an entity or organization in which a director, or any member of the director s immediate family, is an executive officer, partner, member, principal or holds a similar position, other than in connection with the issuance of insurance or reinsurance policies or other risk transfer arrangements entered into in the ordinary course of business on an arm s length basis.

Our board of directors reviewed director independence in 2002 based on the assessment of the Corporate Governance & Nominating Committee. During this review, the board of directors considered relationships and

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transactions during the year between each director, or any member of the director s immediate family, and us. As a result of its review, the board determined that none of our directors had any relationships with Chubb other than relationships that were within the categorical standards set by the board, with the exception of Mr. Finnegan, who is an employee, and the following:

a contribution of $40,000 was made to the Folger Shakespeare Library. Ms. Williams is a trustee of the Folger Shakespeare Library.

a contribution of $60,000 was made to the Institute for Civil Justice, a part of RAND Corporation. We have been a long time supporter of the Institute. During 2002, Ambassador Seitz became an advisor to RAND Europe, which is also a subsidiary of RAND.

the third annual installment, in the amount of $80,000, of an $800,000 pledge we made in February 2000 to the Friends of the National Zoo (which pledge is to be paid in ten equal annual installments commencing in 2000). The National Zoo is a part of the Smithsonian Institution. Mr. Small is Secretary of the Smithsonian Institution and Ms. Burke is Under Secretary for American Museums and National Programs of the Smithsonian Institution. Ms. Williams husband is a Regent of the Smithsonian Institution.

The board of directors determined that none of these relationship impaired the independence of any director and that all of the directors, other than Mr. Finnegan, are independent.

Meetings of the Board and Board Committees

In 2002, there were seven meetings of our board of directors. All of the incumbent directors attended at least 75% of the regularly scheduled meetings of the board and meetings of the committees on which he or she served. Taking into account three additional meetings not on the original board and committee schedules, Mr. Mangold attended 71% of the aggregate of all meetings of the board. Mr. Mangold does not serve on any committees.

The board of directors has, among other committees, an Audit Committee, an Organization & Compensation Committee and a Corporate Governance & Nominating Committee. A summary of each of these committee s functions and responsibilities follows.

Audit Committee

The Audit Committee is composed of Messrs. Cohen (Chairman), Cash, Cornelius and Zollar, and Mses. Burke and Williams. Ms. Baird was a member of the Audit Committee until July 1, 2002. In accordance with our Audit Committee Charter and the listing standards of the New York Stock Exchange, each of the Audit Committee members is independent. In addition, the board has designated Mr. Cornelius as the audit committee financial expert (as defined in recently adopted Securities and Exchange Commission rules) on the Audit Committee. In 2002, the Audit Committee met five times.

The Audit Committee is directly responsible for the appointment, compensation and retention (or termination) of the independent auditors. The Audit Committee is also responsible for the oversight of the quality and integrity of our financial statements, our compliance with legal and regulatory requirements, the qualifications and independence of our independent auditors, the performance of our internal audit function and independent auditors and other significant financial matters. The Audit Committee Report for 2002 is set forth in this proxy statement.

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Corporate Governance & Nominating Committee

The Corporate Governance & Nominating Committee is composed of Messrs. Hoag (Chairman), Cash, Cohen and Rudman and Ms. Baird, all of whom are independent directors. Ms. Baird became a member of the committee on July 1, 2002. In 2002, the Corporate Governance & Nominating Committee met one time. The committee assists the board in identifying individuals qualified to become members of the board and oversees the annual evaluation of the board and each committee. As provided in the committee s new charter, the committee also makes recommendations to the board on a variety of corporate governance and nominating matters, including recommending standards of independence, director nominees, appointments to committees of the board, designees for chairmen of the committees and corporate governance guidelines.

The committee will consider shareholder recommendations for director nominees, so long as the recommendations are submitted to us in accordance with the applicable requirements and procedures set forth in our by-laws. For additional information on this process, see 2004 Shareholder Proposals and Nominations in this proxy statement. Shareholders can also write to Henry G. Gulick, Vice President and Secretary, The Chubb Corporation, 15 Mountain View Road, P.O. Box 1615, Warren, New Jersey 07061-1615 for further information.

Organization & Compensation Committee

The Organization & Compensation Committee is composed of Messrs. Small (Chairman), Cornelius, Hoag, Rudman and Zimmerman, all of whom are independent directors. No officer of Chubb or any of its subsidiaries may serve on the Organization & Compensation Committee. In 2002, the Organization & Compensation Committee met four times. The committee discharges the board s responsibilities relating to compensation of our executives. The committee s primary responsibilities include establishing our general compensation policies and overseeing the development and implementation of compensation and benefit programs. The committee also evaluates the performance and sets the compensation of our chief executive officer. In addition, the committee determines the form and amount of compensation for the non-management directors of the board, subject to review by the Corporate Governance & Nominating Committee and approval by the board. The committee s duties also include administering several of our incentive compensation and stock option plans. The Organization & Compensation Committee Report for 2002 is set forth in this proxy statement.

Compensation Committee Interlocks and Insider Participation

No member of the Organization & Compensation Committee is a current or former officer or employee of Chubb or any of our subsidiaries. There were no committee interlocks with other companies during 2002 within the meaning of the Securities and Exchange Commission s proxy rules.

Directors Compensation

All of our directors are also directors of our principal insurance company subsidiary, Federal Insurance Company (Federal). It is the practice of our board of directors to hold concurrent meetings with the board of directors of Federal. In 2002, directors received the following cash compensation:

Annual Director Stipend	$35,000
Fee Per Board and Committee Meeting	$ 1,500
Annual Stipend Per Committee	$ 7,500
Audit Committee and Organization & Compensation Committee Chairman s Stipend (in lieu of regular committee stipend)	$15,000

On April 30, 2002, Mr. O Hare announced that he would be retiring as our Chairman, Chief Executive Officer and a director. A search committee of the board of directors was established in connection with a search for a new chief executive officer to replace Mr. O Hare. The search committee was composed of

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Messrs. Hoag (Chairman), Cohen, O Hare, Rudman, Small and Zimmerman and Ms. Burke. The search committee met eight times in 2002. Each search committee member (other than Mr. O Hare) received a fee of $5,000 for each search committee meeting he or she attended. In addition, prior to April 30, 2002, members of the board (other than Mr. Mangold) devoted time to Chubb as a special assignment in connection with the announcement of Mr. O Hare s plan to retire. In consideration of such efforts, the participating directors (other than Mr. O Hare) received payments for their services ranging from $1,500 to $12,000.

In 2002, Mr. O Hare received meeting fees for attendance at directors meetings only and did not receive stipends or fees for committee meetings.

Under our Deferred Compensation Plan for Directors, directors who are not officers or employees of us or any subsidiary may defer receipt of all or a portion of their cash compensation. The amounts are payable at the option of the director either upon the director s termination of service, or at a specified date chosen by the director. This Plan provides that amounts deferred may be invested in:

- a cash account which earns interest at the prime rate;
- a market value account with units based on the market value of our common stock; or
- a shareholder s equity account with units based on the book value of our common stock.

The board of directors has adopted guidelines suggesting that eligible non-employee directors voluntarily defer 50% of all stipends into the market value account. A participant may elect to receive the compensation deferred in either a lump sum or in annual installments. All amounts are paid in cash except for the market value account which is paid in shares of our common stock. At March 10, 2003, deferred compensation accounts were maintained for ten directors, of which eight directors are currently deferring compensation pursuant to this Plan. For 2002, directors deferred an aggregate of $398,500 of compensation.

At December 31, 2002, the aggregate account values reflecting directors deferrals and earnings on such deferrals were as follows:

Cash Account	$ 43,331
Market Value Account	$2,735,407
Shareholder s Equity Account	$ 196,154

During 2002, Messrs. Hoag, Seitz and Small recognized imputed income of $575, $1,613 and $142, respectively, in connection with life insurance policies purchased in prior years under our Estate Enhancement Program. The cost of the life insurance policies to us will not exceed the after-tax cost we expect to incur in connection with the payment of previously deferred amounts under the Deferred Compensation Plan for Directors.

As members of The Chubb Corporation International Advisory Board in 2002, Messrs. O Hare, Scholey, Seitz and Mangold received meeting fees of $5,000 each and Mr. Mangold received an annual stipend of $10,000. In March 2003, the board of directors discontinued the International Advisory Board.

Non-Employee Director Stock Options

The Chubb Corporation Stock Option Plan for Non-Employee Directors was originally adopted by the board of directors and approved by shareholders in 1988. The most recent version of the plan was approved by shareholders in 2001.

The plan is administered by our board of directors. Only eligible directors, as defined in the plan, may receive options under the plan. There are currently 15 eligible directors participating in the plan. Annually, eligible directors are each granted an option to purchase 4,000 shares of our common stock. If, within seven years of grant, a participant exercises his or her options using shares of previously owned common stock, the participant will, subject to certain specified conditions (including the requirement that the fair market value of each share be at least 125% of the exercise price of the original option), be granted new options to purchase shares of common stock in an amount equal to the number of shares delivered upon exercise. These replacement options are subject to the same terms and conditions as other options granted under the plan. The exercise price per share of common stock subject to a replacement option is equal to the fair market value per share of common stock on the day the option is granted.

Options granted under the plan are non-statutory options. The options are exercisable in whole or in part at all times beginning on the date of grant until terminated and, with the approval of the board of directors, may be transferred to certain members of the optionee s immediate family. All outstanding options held by an optionee are automatically canceled upon termination of the optionee s service as an eligible director, except for terminations due to retirement and under certain other specified circumstances. In the case of certain mergers, consolidations or combinations of Chubb with or into other corporations, or the sale of all or substantially all of Chubb s assets, or in the event of a change of control, as defined in the plan, the holder of each option will have, unless the board of directors determines otherwise, the right to receive on the date or effective date of such event a cash payment in exchange for their outstanding options.

In recognition of his efforts as lead director and, in particular, activities related to our recent chief executive officer transition, on December 5, 2002, the board granted Mr. Cohen a special stock option to purchase 36,347 shares of common stock. In addition, for their respective work as Chairmen of the CEO Search Committee and of the Organization & Compensation Committee, in connection with the chief executive officer s transition, on December 5, 2002, the board of directors granted to each of Messrs. Hoag and Small a special stock option to purchase 3,634 shares of common stock. These option grants were made outside of the Stock Option Plan for Non-Employee Directors. The terms of the options are the same as options granted under that plan, except the special stock options have a ten year term. In addition, the board reduced the aggregate number of shares available for future issuance under that plan by 43,615, the number of shares issuable upon exercise of the special stock option grants.

Director s Charitable Award Program

Effective January 1, 1992, we established the Director s Charitable Award Program. Under the program, which is administered by the Organization & Compensation Committee, each non-employee director following his or her first election to the board of directors by shareholders may recommend that we direct one or more charitable contributions totaling $500,000 to eligible tax exempt organizations.

Generally, eligible directors are paired, and contributions are made to the organizations selected by a director upon the death of the second paired director. At March 10, 2003, 13 directors were participating in the program. The program may be funded by us through, among other things, the purchase of life insurance policies on the lives of the directors.

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EXECUTIVE COMPENSATION

Summary Compensation Table

The following Summary Compensation Table sets forth information on compensation earned by or paid to John D. Finnegan (Chubb s President and Chief Executive Officer commencing December 1, 2002), Dean R. O Hare (Chubb s Chairman and Chief Executive Officer until December 1, 2002) and each of Chubb s four most highly compensated executive officers other than the Chief Executive Officer (with Messrs. Finnegan and O Hare, the named executive officers) during each of the past three fiscal years.

		Annual Compensation			Long Term Compensation			
					Awards		Payouts	
Name and Principal Position	Year	Salary(1)	Bonus(2)	Other Annual Compensation(3)	Restricted Stock Awards(4)(5)	Securities Underlying Options/ SARs(6)	LTIP Payouts(7)	All Other Compen- sation(8)
John D. Finnegan President and CEO	2002	$ 100,000	$ 125,000		$3,599,973	620,647	$ 0	$ 0
Dean R. O Hare Chairman and CEO	2002	$ 964,001	$1,153,000	$65,712	$ 221,040	257,070	$450,047	$162,263
	2001	1,012,501	0		0	273,758	459,468	182,375
	2000	1,004,751	800,000		0	449,862	0	189,486
Thomas F. Motamed Vice Chairman	2002	$ 512,501	$ 446,000		$1,221,015	110,172	$267,228	$ 43,071
	2001	421,876	0		0	113,414	272,763	84,542
	2000	389,584	400,000		0	180,853	0	84,025
John J. Degnan Vice Chairman	2002	$ 452,501	$ 379,000		$ 720,998	99,156	$253,137	$ 37,275
	2001	408,752	0		0	100,702	258,469	76,885
	2000	395,835	350,000		0	154,004	0	78,611
Michael O Reilly Vice Chairman	2002	$ 442,501	$ 379,000		$ 720,998	91,810	$239,046	$ 36,458
	2001	398,893	0		0	94,836	229,734	75,895
	2000	386,035	350,000		0	136,990	0	74,048
Paul J. Krump Executive Vice President	2002	$ 300,542	$ 335,000		$ 0	7,841	$ 98,455	$ 24,371
	2001	266,667	0		199,350	8,672	77,511	39,767
	2000	222,709	136,000		199,982	10,879	0	36,373

(1) Amount reported for Mr. Finnegan in 2002 represents a pro-rated portion of his annual salary for the one month of 2002 during which he served as President and CEO. Amount reported for Mr. O Hare in 2002 represents a pro-rated portion of his annual salary for the 11 months of 2002 during which he served as Chairman and CEO, and the amounts reported for Mr. O Hare for each of 2002, 2001 and 2000 include director fees of $14,000, $12,500 and $11,000, respectively.

(2) Amounts reported for Messrs. O Hare, Motamed, Degnan, O Reilly and Krump in 2000 and for Mr. O Hare in 2002 were paid under the Annual Incentive Compensation Plan (including certain amounts that were deferred at the election of certain of those executives). Amounts reported for Messrs. Finnegan, Motamed, Degnan, O Reilly and Krump in 2002 were paid outside of the Annual Incentive Compensation Plan (including certain amounts that were deferred at the election of certain of those executives).

(3) Amount reported for Mr. O Hare in 2002 includes costs of $53,702 attributable to his personal use of the corporate jet and costs of other perquisites and personal benefits not exceeding 25% of the total amount of perquisites and personal benefits reported.

(4) The value of the restricted stock awards included in this column are based on the per share price of our common stock on the date of grant. The total number and value (based on the per share price of our

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common stock at December 31, 2002 of $52.20) of outstanding nonvested restricted stock award balances as of December 31, 2002 were as follows:

Named Executive Officer	No. of Shares	12/31/02 Market Value
John D. Finnegan	61,617	$3,216,407
Dean R. O Hare	3,000	156,600
Thomas F. Motamed	20,117	1,050,107
John J. Degnan	11,558	603,328
Michael O Reilly	11,558	603,328
Paul J. Krump	7,169	374,222

The restrictions on Mr. Finnegan s restricted stock balance will lapse as to 30,809 shares on December 1, 2003 and as to 30,808 shares on December 1, 2004. The restrictions on the restricted stock balances for each of Messrs. O Hare, Motamed, Degnan and O Reilly lapsed as to 1,000 shares on March 7, 2003 and will lapse as to 1,000 shares on each of March 7, 2004 and 2005, and as to the remaining shares, if any, on November 29, 2007. The restrictions on Mr. Krump s restricted stock balance will lapse on the fifth anniversary of the applicable date of grant. Dividends are paid on restricted stock.

(5) For the purposes of the Securities and Exchange Commission s compensation reporting rules, outstanding performance share awards are treated as equivalent to restricted stock units. Performance share awards that we granted in any given year remain subject to performance-based conditions on vesting for a three-year period; accordingly, the value of such performance share awards is included in the column titled LTIP Payouts upon settlement of such performance shares (see Note 7), rather than in this column when granted. The performance share awards granted in 2000 related to the three-year period ended December 31, 2002, and the value of payments made in settlement of such awards are listed in the LTIP Payouts column for 2002. The performance share awards granted in 2001 and 2002 relate to the three-year periods ending December 31, 2003 and December 31, 2004, respectively, and the value of such awards will be included in the LTIP Payouts column if and when such awards vest and payment is made in respect thereof. The total number and value (based on the per share price of our common stock at December 31, 2002 of $52.20) of performance shares outstanding for the three-year periods ending December 31, 2003 and December 31, 2004 are as follows:

Named Executive Officer	No. of Shares	12/31/02 Market Value
John D. Finnegan	0	$ 0
Dean R. O Hare	55,372	2,890,418
Thomas F. Motamed	22,148	1,156,126
John J. Degnan	19,732	1,030,010
Michael O Reilly	18,688	975,514
Paul J. Krump	5,863	306,049

(6) Amounts reported include options granted in such years (including restoration options) under the Long-Term Stock Incentive Plans. See Options/ SAR Grants table below for more information on the 2002 grants.

(7) Amounts reported represent payments made in settlement of performance share awards for Messrs. O Hare, Motamed, Degnan, O Reilly and Krump for the three-year periods ended December 31, 2000, 2001 and 2002. The Organization & Compensation Committee administers the grant and settlement of performance share awards. For the three-year performance periods ended December 31, 2001 and 2002, the Committee eliminated the effect of after-tax costs related to the September 11, 2001 terrorist attack in calculating whether the performance target was met. For the three-year performance period ended December 31, 2001, the Committee also lowered the performance threshold necessary to

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provide such awards and proportionately lowered the values of payments made in settlement of such awards. For the three-year performance period ended December 31, 2002, the Committee excluded a pre-tax charge relating to an increase in asbestos reserves taken in 2002 in calculating whether the performance target was met. For additional information about the payments made in settlement of performance share awards for the three-year period ended December 31, 2002, see the Organization & Compensation Committee Report in this proxy statement.

(8) Amounts reported include allocations for 2002, 2001 and 2000 under the qualified Capital Accumulation Plan and the Capital Accumulation Excess Benefit Plan of: $37,667, $72,000 and $71,750 for Mr. O Hare; $20,500, $32,875 and $31,583 for Mr. Motamed; $17,467, $30,350 and $29,833 for Mr. Degnan; $17,100, $29,956 and $28,041 for Mr. O Reilly; and $11,464, $16,107 and $13,344 for Mr. Krump. Amounts reported also include allocations for 2002, 2001 and 2000 under the ESOP qualified plan and the ESOP excess plan of: $43,166, $110,375 and $117,736 for Mr. O Hare; $22,451, $50,423 and $51,377 for Mr. Motamed; $19,808, $46,535 and $48,778 for Mr. Degnan; $19,358, $45,939 and $46,007 for Mr. O Reilly; and $12,907, $23,660 and $23,029 for Mr. Krump. Amounts reported for Mr. O Hare in 2002 include $64,613 of vacation pay and $16,817 of consulting fees earned under his consulting arrangement with us. Amounts reported for Mr. Motamed in 2002, 2001 and 2000 include allocations of $120, $1,244 and $1,065, respectively, which represent amounts imputed as income in connection with our payment in 1999 of a premium on a life insurance policy on the lives of Mr. Motamed and his spouse in exchange for the relinquishing by Mr. Motamed of the right to receive under the Pension Program a lump sum amount equal to $300,000 plus interest in accordance with his participation in our Estate Enhancement Program.

Option/ SAR Grants in 2002

The following table is a summary of all Chubb stock options and stock appreciation rights granted to the named executive officers during 2002. Individual grants are listed separately for each named executive officer. In addition, this table shows the potential gain that could be realized if the fair market value of our common stock were to appreciate at either a five or ten percent annual rate over the period of the option term.

	Individual Grants				Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term(3)	
Name	Number of Securities Underlying Options/SARs Granted(1)	% of Total Options/SARs Granted to Employees in Fiscal Year(2)	Exercise or Base Price Per Share	Expiration Date	5%	10%
John D. Finnegan	384,538	8.8%	$58.43	December 2, 2012	$14,129,145	$35,806,026
	236,109*	5.4%	73.03	December 2, 2007	362,534	4,973,104
Dean R. O Hare(4)	128,535	2.9%	73.68	March 7, 2012	5,955,921	15,093,472
	128,535*	2.9%	92.10	March 7, 2007	248,898	3,414,195
Thomas F. Motamed	55,086	1.3%	73.68	March 7, 2012	2,552,518	6,468,581
	55,086*	1.3%	92.10	March 7, 2007	106,670	1,463,215
John J. Degnan	49,578	1.1%	73.68	March 7, 2012	2,297,294	5,821,793
	49,578*	1.1%	92.10	March 7, 2007	96,004	1,316,910
Michael O Reilly	45,905	1.1%	73.68	March 7, 2012	2,127,098	5,390,484
	45,905*	1.1%	92.10	March 7, 2007	88,892	1,219,346
Paul J. Krump	7,841	0.2%	73.68	March 7, 2012	363,328	920,745

* Premium-priced options

(1) The number of shares for each person represents a stock option granted under the Long-Term Stock Incentive Plan without a related stock appreciation right. Mr. Finnegan s stock options will vest and become exercisable as follows: (a) of the options that expire on December 2, 2012, options to purchase 250,920 shares will vest and become exercisable in three equal annual installments of 83,640 shares on

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December 2, 2003, December 2, 2004 and December 1, 2005, respectively; and (b) all other options will vest and become exercisable in two equal annual installments with 50% vesting on December 2, 2003 and the remaining 50% vesting on December 2, 2004. For each of the other named executive officers, 50% of their options vested and became exercisable on March 7, 2003 and the remaining 50% will vest and become exercisable on March 7, 2004. The exercise price for each stock option expiring on March 7, 2012 and December 2, 2012 is equal to the fair market value of our common stock on the date of grant. The per share exercise price for each stock option expiring March 7, 2007 and December 2, 2007 is 25% higher than the fair market value per share of common stock on the date of grant. After they become exercisable, all options are transferable to certain members of the optionee s immediate family. There is an option restoration feature with each option expiring March 7, 2012 and December 2, 2012, which provides that the optionee can receive a separate option grant when previously owned shares are exchanged in a stock-for-stock exercise on or before March 7, 2009 and December 2, 2009, respectively, if the market price on date of exercise is at least 25% higher than the exercise price. The restoration option will be a non-statutory option, the number of option shares will equal the number of exchanged shares used to exercise the original option, the exercise price will be the fair market value on the grant date of the restoration option, the term will be for the length of time remaining in the original option and the restoration option will be immediately exercisable. The restoration feature does not apply to options transferred by the optionee.

(2) Based on total grants in 2002 of options to purchase 4,358,040 shares.

(3) The assumed 5% and 10% annual rates of stock price appreciation used in the table are prescribed by the proxy rules and are not intended to forecast possible future appreciation in the price of our common stock.

(4) Effective March 6, 2003, all of the options granted to Mr. O Hare in 2002 were extinguished in accordance with the terms of his retirement agreement. For a description of Mr. O Hare s retirement agreement, see Executive Compensation Employment and Change in Control Agreements in this proxy statement.

Aggregated Option/ SAR Exercises in 2002 and Option/ SAR Values on December 31, 2002

The following table shows Chubb stock options and stock appreciation rights that were exercised during 2002 and the number of shares and the value of grants outstanding as of December 31, 2002 for each named executive officer.

			Number of Securities Underlying Unexercised Options/SARs at FY-End	Value of Unexercised In-the-Money Options/SARs at FY-End(1)
Name	**Shares Acquired on Exercise**	**Value Realized**	**Exercisable/ Unexercisable**	**Exercisable/ Unexercisable**
John D. Finnegan			0/620,647	$ 0/$0
Dean R. O Hare	357,730	$ 10,261,463	921,213/257,070(2)	235,208/ 0
Thomas F. Motamed	1,914	62,375	345,280/166,880	395,368/ 0
John J. Degnan	13,056	483,607	371,984/149,508	540,658/ 0
Michael O Reilly	112,479	3,416,352	235,564/139,228	99,839/ 0
Paul J. Krump			59,651/16,037	123,743/ 0

(1) Based on the per share price of our common stock at December 31, 2002 of $52.20.

(2) Effective March 6, 2003, all unexercisable options for Mr. O Hare were extinguished in accordance with the terms of his retirement agreement. For a description of Mr. O Hare s retirement agreement, see Executive Compensation Employment and Change in Control Agreements in this proxy statement.

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Long-Term Executive Incentive Plan Awards in 2002

Name	Number of Shares, Units or other Rights(1)	Performance or Other Period Until Maturation or Payout	Estimated Future Payouts Under Non-Stock Price-Based Plans (Units)		
			Threshold	Target	Maximum
John D. Finnegan					
Dean R. O Hare	27,144	2002-2004	13,572	27,144	40,716
Thomas F. Motamed	10,857	2002-2004	5,429	10,857	16,286
John J. Degnan	9,500	2002-2004	4,750	9,500	14,250
Michael O Reilly	9,161	2002-2004	4,581	9,161	13,742
Paul J. Krump	3,393	2002-2004	1,697	3,393	5,090

(1) Amounts reported represent performance share awards granted under our Long-Term Stock Incentive Plan in 2002 with respect to the three-year performance cycle ending December 31, 2004. The number of shares earned is dependent on the achievement of a specified earnings per share target established by the Organization & Compensation Committee for the three-year period. Settlement of the awards may be in shares or cash or a combination of both at the discretion of the Organization & Compensation Committee.

Pension Program

Our eligible employees and certain eligible employees of our subsidiaries participate in the Pension Plan of The Chubb Corporation, Chubb & Son Inc. and Participating Affiliates. As in effect during 2002, the Pension Plan provides to each eligible employee annual retirement income beginning at age 65 equal to the product of (x) the total number of years of participation in the Pension Plan and (y) the difference between (i) 1 3/4% of average compensation for the five years in the last ten years of participation prior to retirement during which the employee was most highly paid (final average earnings) and (ii) an amount related to the employee s primary social security benefit.

Effective January 1, 2001, a cash balance benefit was added to the Pension Plan. Participants who participated in the Pension Plan prior to January 1, 2001 (including Messrs. O Hare, Motamed, Degnan, O Reilly and Krump) will receive a benefit under the Pension Plan equal to the greater of the pension benefit described in the preceding paragraph or the amount calculated under the cash balance formula. Because the amount of the pension benefit described in the preceding paragraph will be greater than the amount calculated under the cash balance formula for Messrs. O Hare, Motamed, Degnan, O Reilly and Krump for the foreseeable future, it is likely that none of these individuals will receive a benefit under the Pension Plan based on the cash balance formula.

The Employee Retirement Income Security Act of 1974, as amended (ERISA), and the Internal Revenue Code, impose maximum limitations on the annual amount of a pension which may be paid under a funded defined benefit plan such as the Pension Plan. The Pension Plan complies with these limitations. The board of directors adopted, effective as of January 1, 1976, an unfunded benefit equalization plan of the type permitted by ERISA, which will provide annual payments to persons who are participants under the Pension Plan and their beneficiaries. Such payments will be equal to the difference between (a) the benefits which would be payable to such persons under the Pension Plan, without taking into consideration the limitations imposed by ERISA and the Internal Revenue Code, and (b) the maximum annual benefits to which those persons are entitled under the Pension Plan by reason of such limitations.

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The following table shows the estimated annual benefits payable upon retirement to persons in specified remuneration and years-of-service classifications under the Pension Plan and the unfunded benefit equalization plan (referred to collectively as the Pension Program).

Estimated Annual Retirement Benefits Payable at Age 65

Straight Life Annuity Basis

	Years of Credited Service						
Final Average Earnings	**5**	**10**	**20**	**30**	**35**	**40**	**45**
$ 100,000	$ 8,750	$17,500	$35,000	$52,500	$61,250	$70,000	$78,750
200,000	17,500						