

# Financial Institutions

## Loss Scenarios



### **Failure to Make Contributions**

**Cause of Action:** Suitability of Investments

**Type of Organization:** Investment Adviser

#### **Description of Event:**

A claimant alleged that her adviser failed to effectuate any contributions to her retirement plans over a four year period and that she did not obtain the employer match that was available for these periods. The claimant also alleged that the mutual funds in her account were not actively managed and that several investments selected by the adviser were illiquid and inappropriate given the claimant's time horizon and risk tolerance. She sought unspecified monetary damages.

#### **Resolution:**

The case was settled for nearly \$100,000.

**Chubb. Insured.**

The claim scenarios described here are intended to show the types of situations that may result in claims. These scenarios should not be compared to any other claim. Whether or to what extent a particular loss is covered depends on the facts and circumstances of the loss, the terms and conditions of the policy as issued and applicable law. Certain facts may have been changed to protect confidentiality.

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