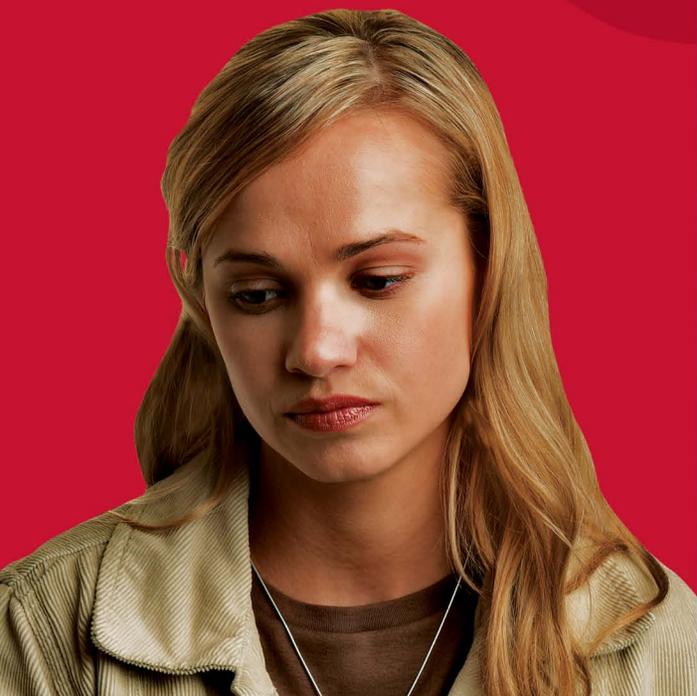


Katie was driving without insurance and had an accident. When she applied for insurance, she lied. She said she'd had no accidents. Then she filed a claim saying that her car had been damaged, lying that the accident happened after the policy took effect.

Whether she knew it or not, Katie committed insurance fraud – a serious crime in Pennsylvania. **IN FACT, IT'S CONSIDERED A FELONY.**

Those convicted of the crime face fines, legal fees, even prison time. Not to mention a wide range of personal and professional consequences, such as job loss and harm to reputations and family relationships. It's a crime that goes on your permanent record.



**AUTOMOTIVE
INSURANCE FRAUD
IS A SERIOUS
CRIME.**



**PA INSURANCE FRAUD
PREVENTION AUTHORITY**

KNOW THE RISKS. KNOW THE PENALTIES.

6 Kacey Court, Suite 101, Mechanicsburg, PA 17055
t: 717.975.9074 | f: 717.975.9089

helpstopFRAUD.org

When Howard purchased his policy, he admitted his adult son Trevor lived with him but didn't have a valid driver's license. So Trevor was listed on the policy as an "excluded driver." Howard's policy was clear that the insurance company would not pay any claim for loss or injury if Trevor was operating the vehicle at the time of an accident. But after Trevor crashed Howard's car into a telephone pole, Howard submitted a claim and lied by saying he was driving.

After Mickey's car was rear-ended, he didn't feel so hot. But he exaggerated the extent of his injuries saying his neck and back hurt. He went for medical treatment he knew he didn't really need in order to get a larger settlement from the insurance company.

The transmission on Joan's SUV was shot and mechanics told her it would cost \$4,000 to fix. She couldn't sell the SUV and still owed the bank \$2,500 on her auto loan. She gave her keys to a "friend" to get rid of the SUV for her and reported to the police and her insurance company that the SUV had been stolen — so the insurance company would pay off her auto loan.

CRIME AND...

Automotive insurance fraud entails someone deceiving an insurance company about a claim involving a personal or commercial motor vehicle. It can involve giving out misleading information or providing false documentation to support the claim.

The majority of automotive insurance fraud arrests in Pennsylvania involve:

- staged auto accidents and false claims of injury
- false reports of stolen vehicles
- false claims that an accident happened after a policy or coverage was purchased
- false claims for damage that already existed
- claimants who concealed that a person excluded from coverage by their policy was driving at the time of the accident

...CONSEQUENCES

Automotive insurance fraud is a serious crime. As with all other types of insurance fraud, Pennsylvania considers it a felony. Violators can spend up to seven years in prison and pay up to \$15,000 in fines. There are also many other associated expenses such as court costs and legal fees. Plus, those found guilty of insurance fraud have the stigmas and limitations of being a convicted felon to carry with them for life.

PREVENTION

There are simple ways to avoid facing situations where there's an opportunity for you to commit automotive insurance fraud.

First, it is important to make sure insurance policies are up-to-date for each motor vehicle you own, and that these include at least the basic types of coverage required by PA law. Second, you need to understand each policy, what is and isn't covered, and to what extent. Your insurance agent can help you with this.

Learning all you can about automotive insurance fraud will help you avoid costly and life-changing mistakes. And in all aspects of your dealings with insurance companies – from applications to claims – make sure the information you provide is truthful and accurate.

To learn more about insurance fraud and how you can prevent it, visit helpstopFRAUD.org.