



Red Flags Associated With Fraudulent Property & Casualty Claims

- Insured is overly pushy for a quick settlement.
- Insured is unusually knowledgeable regarding insurance terminology and the claims settlement process.
- Insured handles all business in person, thus avoiding the use of the mail.
- Insured is willing to accept an inordinately small settlement rather than document all claims losses.
- Insured contacts agent to verify coverage or extent of coverage just prior to loss date.
- Insured is recently separated or divorced.
- Suspiciously coincidental absence of insured or family at the time of the incident.
- Losses occur just after coverage takes effect, just before it ceases or just after it has been increased.
- Losses are incompatible with insured's residence, occupation and/or income.
- Losses include a large amount of cash.
- Commercial losses that primarily involve seasonal inventory or equipment, and that occur at the end of the selling season, e.g. a ski inventory loss in the spring or a farm machinery loss in the fall.
- Fire occurs at night, especially after 11 P.M.
- Commercial fire occurs on holiday, weekend or when business is closed.
- Fire department reports fire cause is incendiary, suspicious or unknown.
- Fire alarm and/or sprinkler system failed to work at the time of the loss.

Red Flags Associated With Arson Or Fire Related Claims

- Building and/or contents were up for sale at the time of the loss.
- Suspiciously coincidental absence of family pet at time of fire.
- Insured had a loss at the same site within the preceding year. The initial loss, though small, may have been a failed attempt to liquidate contents.
- Building and/or business were recently purchased.
- Commercial losses include old or non-saleable inventory or illegal chemicals/materials.
- Insured or insured's business is experiencing financial difficulties, e.g. bankruptcy, foreclosure.
- Fire site is claimed by multiple mortgages or chattel mortgages.
- Building is in deteriorating condition and/or located in a deteriorating neighborhood.
- Fire scene investigation suggests that property/contents were heavily over-insured.
- Fire scene investigation reveals absence of remains of non-combustible items of scheduled property or items covered by floaters, e.g. coin or gun collections or jewelry.
- Fire scene investigation reveals absence of remains of expensive items used to justify an increase over normal 50% contents coverage, e.g. antiques, piano, or expensive stereo/video equipment.
- Fire scene investigation reveals absence of items of sentimental value: (e.g. family Bible, family photos, trophies).
- Fire scene investigation reveals absence of remains of items normally found in a home or business.

Red Flags Associated With Fraudulent Burglary Claims

- Losses include total contents of business/home including items of little or no value.
- Losses are questionable, (e.g. home stereo stolen out of car, fur coat stolen on trip to Hawaii).
- Losses include numerous family heirlooms.
- Losses include numerous appraised items and/or items of scheduled property.
- Extensive commercial losses occur at site where few or no security measures are in effect.
- No police report or an over-the-counter report in situations where police would normally investigate.

Red Flags Associated With Claim Process

- Insured over-documents losses with a receipt for every loss and/or receipts for older items of property.
- Insured's loss inventory differs significantly from police department's crime report.
- Insured cannot provide receipts, cancelled checks, credit card records or other proof of purchase / ownership for recently purchased items.
- Insured provides numerous receipts for inexpensive items, but no receipts for items of significant value.
- Insured provides receipt(s) with incorrect or no sales tax figures.
- Insured provides receipt(s) with no store logo (blank receipt).
- Loss inventory indicates unusually high number of recent purchases.
- Insured cannot recall place and/or date of purchase for newer items of significant value.
- Insured indicates distress over prospect of an examination under oath.
- Insured provides receipts/invoices from same supplier numbered in sequence.
- Insured provides two different receipts with same handwriting or typeface.
- Insured provides credit card receipts with incorrect or no approval code.
- Name of previous insurance carrier or proof of prior coverage cannot be provided.
- No prior insurance coverage is reported although applicant's age would suggest prior ownership of a vehicle and/or property.
- Significant break-in coverage is reported under prior coverage.
- Question about recent prior claims is left unanswered.
- Full coverage is requested for older vehicle.
- Exceptionally high liability limits are requested for older vehicle inconsistent with applicant's employment, income or lifestyle.
- Vehicle is not available for inspection.
- Photos are submitted in lieu of inspection.
- Vehicle does not appear to be appropriate for claimed address or income (e.g. a luxury vehicle in a low income neighborhood).
- Vehicle has unusual amount of aftermarket equipment (e.g. wheels, high priced stereo, CB radio, car phone).