

The Price You Pay

Everyone pays a price for auto insurance scams. For honest citizens, it's time to get mad. For potential fraud perps, it's time to think twice. Consider...

Higher premiums. Everyone's auto premiums stay higher because insurers must pass fraud costs to policyholders.

Damage and trauma. Staged accidents can inflict large claims against your auto policy. You'll also have repair hassles plus the trauma of a crash. You may even lose your coverage, pay higher premiums, and even be hurt or killed.

You'll get caught. Committing insurance fraud is a great way to ruin your life. There's a strong chance you'll get caught. This can mean...

- jail and fines
- criminal record
- lost job and ruined career
- shame with family and friends
- you'll lose your auto coverage
- you'll pay a lot more for new insurance
- you may lose your driving privileges.

AUTOMOBILE

Insurance
Fraud
The Crime
You Pay For

A public service of

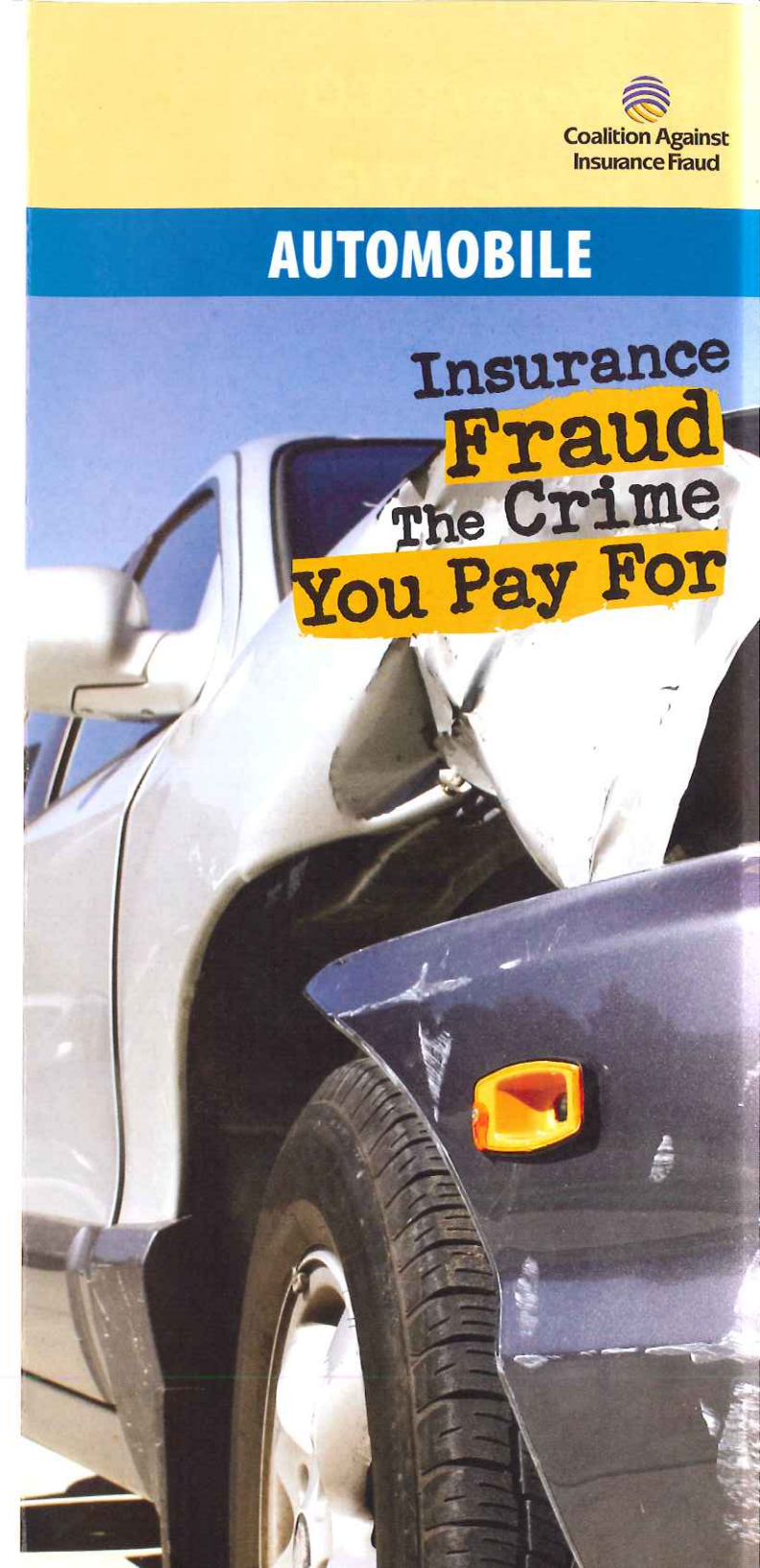


**Coalition Against
Insurance Fraud**

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*A national alliance of consumer groups,
insurers and government agencies
fighting insurance fraud.*

To learn more, visit



Driven to Deceive

Your auto insurance policy is your road to freedom. You can drive wherever you want — free of financial worry if your auto's damaged or stolen, or someone's injured in an accident.

Most people are law-abiding. But some drivers willingly swindle auto insurance policies to enrich themselves at the expense of honest policyholders everywhere.

It's called insurance fraud — a crime. People steal nearly \$15 billion through bogus auto insurance claims every year.

We all pay a big price.

Here's what you should know about auto insurance fraud, the price you pay — and how you can fight back.

Dollars and Dents

Too often, normally honest people commit small auto insurance scams just to save a few dollars. They think, big deal, it's just a little white lie. Other auto swindles are larger, organized and steal thousands. Either way, they're all crimes.

Application scams. People lie on their insurance application to lower their premium a small amount. Like listing a fake address... or saying they drive fewer miles than they really do.

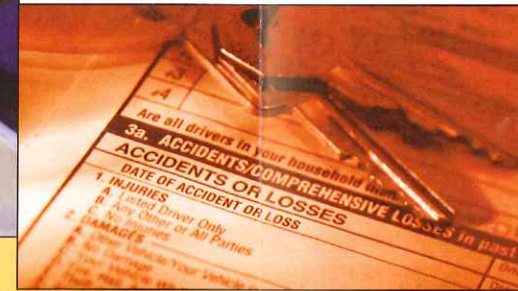
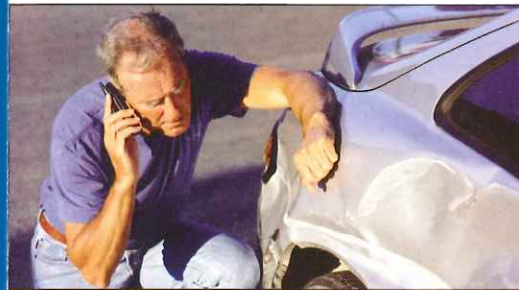
Padding smaller claims. A policyholder "innocently" adds a few extra CDs or a tennis racquet to an insurance claim after a car break-in. Or asks the repair shop to charge a little extra to offset the deductible.

Fake theft. Some people hide or torch their auto, then falsely tell their insurer it was stolen. Usually they want

a big insurance payoff — and to escape monthly payments they can't afford.

Crooked body shops. Dishonest body shops secretly charge your policy for repairs that weren't made, or car parts that weren't damaged. Check your invoice carefully.

GET MAD, FIGHT BACK... Report suspected scams to your auto insurer and state insurance department. Don't take fraud sitting down.



Staged Accidents

Hardened crooks lure innocent drivers into car crashes to make large claims for fake injuries or bogus car damage — at your expense.

Swoop and squat. The driver in front of you deliberately jams on his brakes, forcing you to rear-end his car.

Drive down. A driver waves you to pull out of a parking space or into merging traffic, but then crashes into you and later denies waving.

Sideswipe. A crooked motorist on the inside lane of a dual left-turn lane drifts into the outer lane where you're driving, thus forcing you to collide.

GET MAD, FIGHT BACK... Drive defensively and never tailgate... Call the police right away... Keep a disposable camera in your glove compartment and take photos of the crash scene... Get all names, phones and insurance info... Report suspected scams to your auto insurer and state insurance department.