

## **Auto Theft Red Flag Indicators**

The following is a list of what is commonly known in the insurance industry as “Red Flags”. Claims adjusters can use these to identify potentially fraudulent auto theft claims. The presence of one or more “Red Flags” does not necessarily mean that the auto theft claim is fraudulent. It merely means that there is a need for further investigation into the claim. Though this list is by no means comprehensive, it will give you a good idea of what to look for when an auto theft claim is filed.

The vehicle has had mechanical work performed recently

The vehicle has been for sale recently and has not sold

The insured has a previous history of auto theft claims

The insured has become recently unemployed

The vehicle’s lease is ending & may have high mileage which the insured will be charged

The insured’s Driver’s License has been recently suspended

The loan on the vehicle is delinquent and repossession is near

The police were not notified

The vehicle was stolen from an unusual location

The vehicle was stolen after the insured received a cancellation notice for insurance

The insured made recent coverage changes or was just added to the policy

The vehicle was purchased with cash and there is no receipt or the insured cannot say from whom it was purchased

The vehicle is a prior salvage

The vehicle is recovered by the insured or someone he/she knows

The steering column has not been “defeated”

The vehicle has an “anti theft transponder” yet it was stolen without the keys

The insured refuses to give a recorded statement

Late notice of the theft to the police and the insurance company

The insured cannot provide specific information about the car

The insured does not want their spouse contacted about the theft

The Theft Affidavit is not completely filled out

There is no recovery report