

Zeke's big screen TV quit working, then his home was struck by lightning. He told his insurance company the TV had been damaged by the electrical storm.

Whether he knew it or not, Zeke 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.

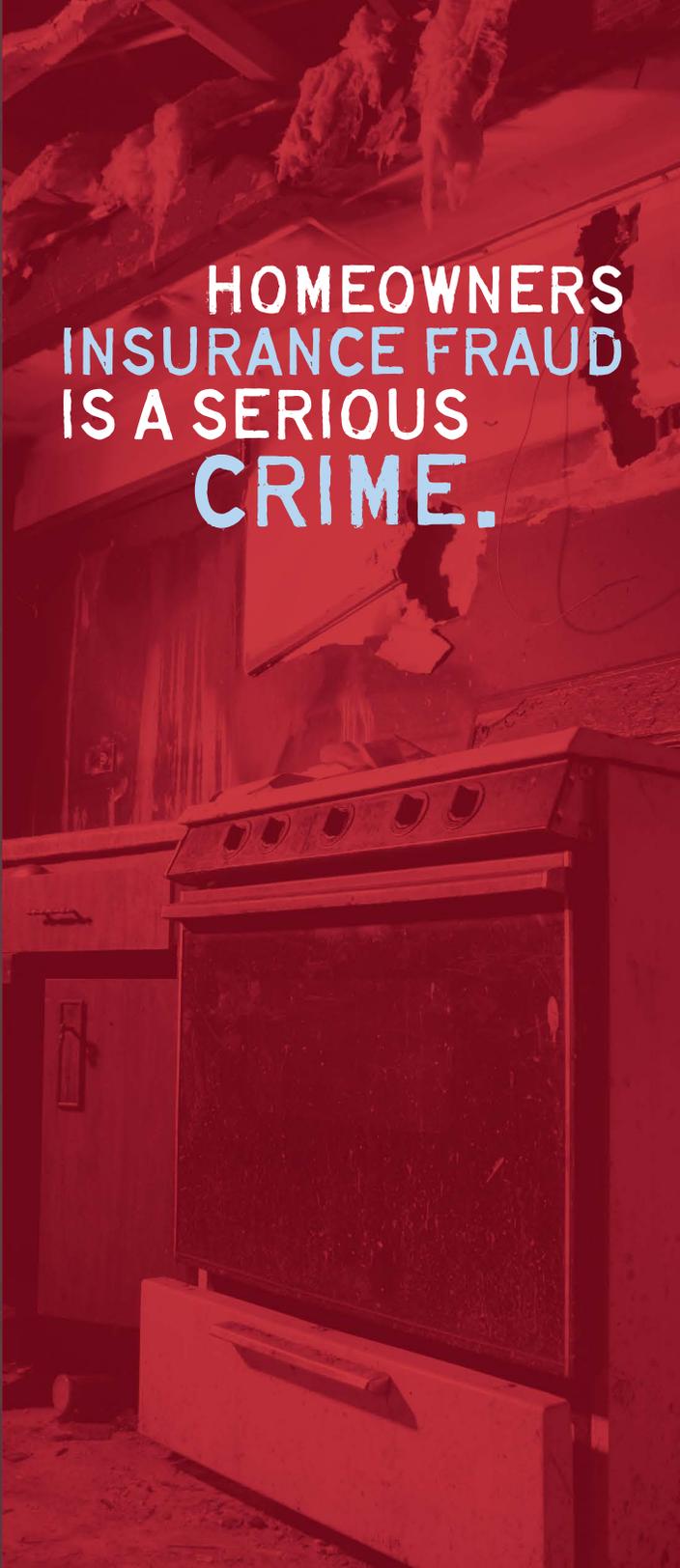


**PA INSURANCE FRAUD
PREVENTION AUTHORITY**

KNOW THE RISKS. KNOW THE PENALTIES.

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

During a trip to Philadelphia, Rebecca's car was broken into. Her motor vehicle insurance paid to fix the damage done to the car. On her homeowners insurance claim, she said the items she lost were a lot nicer than they really were — a leather coat instead of a denim jacket — and she added a few extra items to the list she gave to her homeowners insurance company.

A strong storm blew the shingles off of John's house. When the insurance adjuster inspected the roof, John also said some siding was damaged during the storm, even though the siding had been damaged when John bought the house.

CRIME AND...

This type of fraud takes place when someone knowingly submits an inflated claim on their homeowners or renters policy for more than the actual value of the loss or damage.

Submitting a false or misleading claim to receive undeserved compensation is also considered homeowners fraud.

The most common types of homeowners insurance fraud in Pennsylvania involve:

- overstating the value of stolen items in a burglary of a home or vehicle
- lying about the extent, cause, date or location of damage
- intentionally damaging property to make a claim
- staging a phony burglary or vehicle break-in and faking the theft or damage of property
- asking a repairman to "cover the deductible" by increasing their estimate or bill
- fabricating supporting evidence, such as repair bills or receipts, often in collusion with a crooked contractor, plumber, repairman or insurance adjuster
- concealing that a residence is used as a rental or in a commercial business

...CONSEQUENCES

Unfortunately, scenarios of homeowners insurance fraud are played out all too frequently in Pennsylvania. In 2012 alone, more than 388 complaints were received about suspected fraud.

This is why homeowners insurance fraud is such 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 homeowners insurance fraud.

First, it is important to make sure your homeowners insurance policy is up-to-date. Second, you need to understand your policy, what is and isn't covered, and under what circumstances. Your insurance agent can help you with this.

Learning all you can about homeowners 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.