



NICB Scene Indicators for Law Enforcement

The indicators below are intended to assist law enforcement agents in recognizing possible insurance fraud while at the scene of an accident or other incident. Please note, NCIB indicators only “indicate” the potential of fraud and are not actual evidence.

NICB indicators are not all inclusive and are intended to be general guidelines. As such, it is recommended that law enforcement agents have a thorough knowledge of internal agency policies and procedures; local, state and federal laws; statutes; regulations and codes before beginning an investigation.

It is important to remember that when indicators of fraud are present during the initial police report, follow-up investigation is required to obtain actual evidence of fraud. National Insurance Crime Bureau Special Agents can provide law enforcement with information and assistance in conducting a follow-up investigation.

Staged or Caused Accidents

Regarding Contact Information or Identification

- An out-of-state phone number is provided by the reporting party (e.g. out-of-state prefix).
Concern: Reporting party may be a transient reporting the theft in another state or area to avoid any further contact with law enforcement.
- Does not provide a telephone number or states they do not have a home telephone or cellular phone.
Concern: Reporting party may be attempting to make it difficult for police to contact them.
- One or more individuals involved list a post office box (mail drop) or hotel as address.
Concern: Individual is attempting to avoid additional contact with law enforcement and/or avoiding contact with the insurance carrier until they are ready to do so.
- Reporting party refuses or cannot produce current identification and/or driver’s license, or has a temporary, recently issued out-of-state driver’s license/state identification card.
Concern: Reporting party may be utilizing false identification to avoid revealing his/her true identity.
- Reporting party provides an incorrect address.
Concern: Reporting party may be attempting to make it difficult for police to contact them after the initial report is taken.

Regarding Incident (vehicle accident)

- Accident occurs late at night in a secluded area.
Concern: Staged accident rings will often use secluded areas to “orchestrate/stage” an accident to avoid being seen. They will choose an area usually late at night and place two vehicle at the scene and claim an accident occurred.
- Injuries are subjective (e.g. pain, headaches, nausea, inability to sleep, depression, dizziness and soft tissue).
Concern: Soft tissue injuries are subjective in nature and will not appear on diagnostic tests making it easier for the injured party to fake injuries. Someone complaining of these "soft tissue" injuries can spread medical claims out over a longer period of time than someone, for instance, with a broken arm can. Broken arms are objective injuries where healing can be observed and should occur in a general length of time. Subjective complaints can continue indefinitely to maximize the illegal claim's profits. No visible injuries; if multiple individuals complain of the same subjective injuries, it is a key indicator of a staged accident.
- Multiple passengers are in either vehicle.
Concern: Organized criminal groups will utilize multiple passengers in the vehicle that is not at fault. This allows them to file insurance claims for several individuals at once.
- On-the-scene treatment is refused.
Concern: Perhaps the alleged injured party was not really injured in the accident but was contacted by a runner, attorney or medical facility later and decided to file a claim.
- Owner/Driver/Passenger(s) have the same or similar soft tissue injury.
Concern: In many staged accident schemes all the participants will claim the same type of injury. Scientific research (Bio-mechanics) that the likelihood of all occupants receiving the same injury in an accident is highly unlikely.
- Sudden or unwarranted stop or lane change for no apparent reason could be indication of a “caused accident”.
Concern: In caused accident schemes the driver involved with the staged accident ring will often suddenly change lanes in front of the at fault vehicle and immediately apply the brakes.

Regarding Involved Individuals' Statements

- All occupants provide the same facts regarding the accident, in many cases using the same exact wording.
Concern: They may have been given a script or coached on what to say to law enforcement.
- Description of the loss (collision) is inconsistent with the claimed injuries.
Concern: Whatever injuries are claimed they should be consistent with the facts of the accident (e.g. a low speed accident should not produce multiple injuries).
- Individual cannot identify other vehicle in “hit and run” injury loss (accident).
Concern: In staged “hit and run” accidents the injured party(s) will provide a very vague description of the “hit and run” vehicle. (e.g. “it was a black car”).

- Individuals cannot remember why or where they were going, where they were coming from and why other passengers' stories are different.
Concern: Participants of a staged accident ring are often coached or given a script to follow when contacted at the scene by law enforcement. In many cases when asked questions unrelated to the accident they will provide different answers, or cannot answer the question.
- Individuals do not know name, addresses, phone numbers and/or relationship between passengers or each other.
Concern: Individuals were solicited to be participants in the staged accident and do not know each other.
- Insured (striking vehicle) describes swoop & squat scenario.
Concern: A common scheme utilized by staged accident rings. The not at fault driver will state that they had to stop quickly because an unknown vehicle cut in front of them. The unknown vehicle is part of the staged accident ring.
- Insured (striking vehicle) indicates two occupants in claimant's (struck vehicle) vehicle and one was looking back at insured (striking vehicle) just prior to the collision.
Concern: In caused accident schemes the occupants in the struck vehicle will often watch the driver of the striking vehicle waiting for them to be distracted. They will then advise the driver of the struck vehicle to apply the brakes.
- Witness version of loss (accident) does not coincide with facts of loss (accident) as presented.
Concern: Witness may not be part of the staged accident ring and is providing true facts regarding the accident. The witness may be part of the ring but was not properly coached on what to tell law enforcement.
- Witness/Participant appears familiar with one or more parties to the loss (accident) and may refer to them by first name.
Concern: In many staged accident schemes some of the participants/witness' will claim they do not know each other. However, during your interview they may slip and refer to each other by first name.

Regarding Involved Vehicles

- All vehicles in a reported accident are taken to the same body shop or shops that may be owned by the same person(s).
Concern: Unusual, particularly if the individuals involved do not live in the same area as the body shop. Body shop may be associated with the staged accident ring.
- Claimant's (struck vehicle) vehicle is not insured.
Concern: Staged accident rings will often not insure the vehicle that is to be utilized as the not at fault vehicle.
- Claimant's (struck vehicle) vehicle is older model and insured's (striking vehicle's) vehicle is a high value, newer model.
Concern: Staged accident rings will often purchase older vehicles often times with pre-existing damage, and target newer more expensive vehicle because these vehicle are more likely to have full insurance coverage.

- Discrepancies with true ownership of the vehicle.
Concern: The driver of the not at fault vehicle will claim they own the vehicle. However, the Dept. of Motor Vehicle records indicate that someone else owns the vehicle. This occurs because the person in the staged accident ring responsible for making sure the vehicles are properly registered failed to do so.
- Individual is vague on the actual facts of the loss (accident) or has discrepancies in the facts of loss (accident).
Concern: Very unusual to not remember all the facts of an accident that just occurred. Individual is attempting to avoid providing information that can be investigated later on. Individual may have been coached on what to say. Individual may not have been involved in the accident but is claiming they were in order to file an insurance claim.
- Insured's (striking vehicle) vehicle is owned by a large commercial business (e.g. UPS, trucking firm, etc.).
Concern: Staged accident rings will target commercial vehicles or fleet vehicles because they know these vehicles carry high insurance coverage.
- License plate does not match vehicle and/or is not registered to individual.
Concern: Vehicle may not be registered at all, a license plate was placed on the vehicle solely for the purpose of filing a false accident claim.
- Rental vehicle is driven very few miles.
Concern: Renter may be charged on a per mile basis, and wants to keep their expenses low to make the profit higher. Vehicle may have been rented for the sole purpose of being used in a fraudulent claim.
- Vehicle registered to someone other than insured or claimant.
Concern: Staged accident rings will utilize the same vehicle in numerous claims all with different drivers. Often times the staged accident ring will fail to change the ownership records at the DMV before filing a false accident report.

Regarding Vehicle Damage

- Damage to vehicles is inconsistent with the accident facts.
Concern: Many staged accident rings will utilize vehicle with pre-existing damage. Often the accident facts provided at the scene will not match the type of damage found on the vehicles (e.g. participants claim the vehicle were traveling at a low speed however, the damage is more consistent with a higher speed collision).
- Lack of accident debris at the scene.
Concern: This would indicate that the accident or damage occurred elsewhere and the vehicles were towed to the scene. If the vehicle has extensive front end damage in addition to accident debris, fluids should also be visible.
- Signs of pre-existing damage to claimant (not at fault) vehicle.
Concern: The staged accident ring intentionally purchase damaged vehicles for the purpose of filing false insurance claims.

Vehicle Theft Fraud

Regarding Involved Individuals' Statements

- Reporting party is vague on the actual facts of the theft or has discrepancies in the facts of the theft.
Concern: The theft report may be fraudulent and the reporting party was not prepared to answer any questions regarding the theft.
- Reporting party claims expensive contents in the vehicle at the time of theft.
Concern: Reporting party may be attempting to increase the amount of the insurance settlement by claiming additional contents in the vehicle.
- When recovered burned, the reporting party advises no unusual odors, sounds or visible smoke prior to seeing the flames.
Concern: Generally the most common causes for vehicle fires are associated with failures in the fuel or electrical systems. It should be noted that the odor of any raw fuel leaking inside the engine compartment prior to combustion, would normally penetrate into the passenger compartment. This is also true for strong burnt odor if an electrical short or breakdown occurs.
- When recovered burned, the reporting party cannot provide a specific location where the fire was first observed.
Concern: If the reporting party was driving the vehicle before the fire occurred, the specific location the fire was first observed should be available. The reporting party may not be able to pinpoint exactly where the fire originated but should be able to determine if the fire originated in the engine compartment, passenger compartment, cargo area, etc.
- When recovered burned, the reporting party claims a cigarette caused the fire.
Concern: With the fire resistant chemicals that have been added to vehicle upholstery, it is difficult to ignite with a burning cigarette. Normally this requires an open flame. Note: Ignition may occur if a lit cigarette lands on paper, tissue or other combustible material.

Regarding Incident (vehicle theft)

- Theft occurred while out-of-state or in an area on business or vacation.
Concern: The theft report may be part of a scheme utilized by nomadic groups or other organized rings.
- Vehicle displayed “for sale” signs prior to theft. (Especially if recovered burned.)
Concern: Reporting party was not able to sell the vehicle and arranged to have it stolen (Includes attempts to sell the vehicle via the Internet.).
- Vehicle not parked under available protective cover or in secure location (e.g. a garage).
Concern: Reporting party may have made arrangements to have the vehicle stolen and purposely left the vehicle in an accessible location (e.g. on the street, public parking lot etc.).

Regarding Vehicle

- An individual, rather than a bank or financial institution, is named as the lien holder.
Concern: It is unusual to find new high value vehicles financed by an individual. Lien holder may be part of the organized group.
- Equipped with anti-theft device and/or electronic recovery equipment. Especially VATS and Transponder systems.
Concern: This makes the vehicle difficult to steal. The reporting party may have assisted in the theft. Device may have been disconnected to avoid immediate detection/recovery.
- No lien holder is reported (especially if new and/or high value purchased with cash).
Concern: Unusual that someone would pay cash for a high dollar vehicle. Could be a different vehicle (leased/borrowed) used for the purpose of obtaining insurance, since the actual vehicle is damaged or salvage, and the price was discounted. Also, lien holders would receive the claim payments, so reporting party use vehicle they own. This could be a paper vehicle, re-VIN or clone. Could be trying to hide vehicle history because of previous claim, salvage history or prior damage or the vehicle has been paid off and is being used and reused for fraudulent claims.
- Vehicle has unusual amount of aftermarket equipment (e.g. wheels, high priced stereo, CB radio etc.).
Concern: Reporting party may be attempting to collect a higher insurance payment by claiming the additional aftermarket equipment.
- Vehicle is older or inexpensive model and individual indicates it was equipped with expensive accessories.
Concern: Reporting party may be attempting to collect more money from the insurance claim than the vehicle is worth. Oftentimes, the value of the equipment and/or accessories exceeds the value of the vehicle.
- Vehicle VIN provided to police is incorrect.
Concern: The vehicle could be a re-VIN, clone or salvage. VIN numbers were not changed in all locations. The discrepancy could be a result of a clerical error.

Vehicle Recovery Scene Indicators

- Federal vehicle safety certification label displays different VIN than is displayed on vehicle.
Concern: The vehicle could be a re-VIN, clone or salvage. VIN numbers were not changed in all locations.
- Federal vehicle safety certification label is altered or missing.
Concern: The vehicle could be a re-VIN, clone or salvage. VIN numbers were not changed in all locations. Vehicle owner may have intentionally removed all VIN's to avoid proper identification of the vehicle.
- Has an incorrect VIN. (Failed edit, not manufactured, inconsistent with model).
Concern: Individual may be utilizing fictitious VIN to file a claim. The VIN may be altered in an attempt to disguise a stolen vehicle or a vehicle that has been declared a total loss or salvage. The vehicle may be stolen or involved in some other illegal activity.

- License plate does not match vehicle and/or is not registered to the individual.
Concern: The vehicle may not be registered, it may be stolen, or the owner is using borrowed/stolen license plates to perpetrate an insurance scam and avoid detection by law enforcement. Vehicle may be a rental, falsely claimed as the individual's new car. The false plate may also have been placed on the vehicle by a thief to avoid detection by law enforcement while driving the vehicle.
- No signs of ignition/locking/security system damage when reported stolen while locked and/or without keys. (Especially if recovered burned). (Applicable for Motorcycle Recovery Scenes).
Concern: Reporting party may have fraudulently reported the vehicle/motorcycle stolen and utilized the keys to transport the vehicle/motorcycle to the recovery location. Reporting party may have hired someone to steal the vehicle/motorcycle and provided them with a set of keys.
- Recovered burned (especially if there aren't any personal items in the vehicle) and/or vandalized.
Concern: Most vehicles are not stolen for the purpose of burning the vehicle. In many cases the vehicle owner will burn their vehicle, or have someone do it for them to make sure the vehicle is a total loss and they receive full payment from their insurance carrier. Vehicle owners will often remove any personal items from the vehicle prior to setting the fire.
- Recovered near owner's work, home or repair facility address.
Concern: Vehicle owner or designee may have placed the vehicle at the scene of the recovery. They may not of wanted to travel far to avoid being stopped by law enforcement. Vehicle owner did not want to have to walk far after placing the vehicle at the recovery scene. The repair facility the vehicle was taken to may be involved. If vehicle was recovered missing major parts the repair facility may have the original parts.
- Vehicle is recovered abandoned (often with collision damage) prior to or shortly after the theft being discovered and reported.
Concern: Reporting party reports vehicle stolen to cover up a hit and run accident, or other criminal activity.
- Vehicle recovered by the owner or friend.
Concern: Owner may be involved in "owner give-up" scheme and wants the vehicle recovered quickly to speed up insurance payment.
- Vehicle shows signs that "stolen parts" are neatly removed. For example, stereo missing, no damage to the dash and wires unplugged, parts neatly removed and will be replaced on the vehicle after insurance settlement particularly if insured or body shop wants to retain salvage or if repair seems impractical.
Concern: Vehicle owner has original parts that will be placed back on the vehicle once the claim has been settled. Or original parts will be sold and the money from the sale and the insurance payment will be utilized to pay for expensive vehicle customization.
- Vehicle VIN is different than VIN appearing on registration.
Concern: The vehicle could be a re-VIN, clone or salvage. The discrepancy could be the result of a clerical error.
- Vehicle VIN removed.
Concern: Particularly if recovered burned, attempting to avoid proper identification of the vehicle. Organized Group or owner does not want the vehicle to be correctly identified.

Vehicle Recovered Burned Scene Indicators

- Fire department reports fire cause is incendiary.
Concern: Reporting party advised that the fire was accidental. Fire department may have detected evidence that the fire was intentionally set.
- Fire in passenger compartment self-extinguished with minimal damage.
Concern: Common occurrence with individuals who are not criminal arsonists. Combustible material will be placed in the passenger compartment and ignited. Individual will then close the doors and all windows and the fire will self-extinguish because of the lack of oxygen to sustain the fire.
- Fire occurred at unusual location, away from other vehicles or structures.
Concern: Vehicle intentionally parked away from other vehicles and structures to prevent any additional vehicles and or structures from burning when the vehicle is burned.
- Fire originated in the passenger compartment and/or cargo area.
Concern: Most accidental or mechanical fires originate inside the engine compartment. Due to the engine compartment firewall and other passenger compartment fire reduction efforts, it is unusual for a fire to start in the passenger compartment and/or cargo area.
- Flammable liquid containers were recovered from the vehicle or at the scene.
Concern: Indication that the vehicle fire was intentionally set.
- Insured (owner) was observed leaving the scene moments before the fire started and/or the insured (owner) smelled of gasoline while at the scene.
Concern: Anyone who was observed walking or running away from the scene of a vehicle fire moments before a fire broke out would often be suspected of starting the fire. If you detect a strong odor of gasoline or other accelerant coming from the insured at the scene, this would be an indication that the owner (insured) was involved.
- One or more windows and/or doors, was/were partially or completely open.
Concern: On vehicle passenger compartment fires, the fire may self-extinguish if all windows/and or doors are closed tight. The vehicle owner (insured) who has set fire to their vehicle may have taken this into consideration therefore there may be evidence of open windows or doors during the fire. The owner (insured) may do this to ensure that the vehicle will be a total loss before the fire department arrives to extinguish the fire.
- Vehicle is a “total burn” and/or burned beyond recognition.
Concern: Only rarely does a vehicle completely burn unless an accelerant is used.

Structure Fires

Regarding Incident (Structure Fire)

- Fire alarm and/or sprinkler system failed to work at the time of the fire.
Concern: Fire detection equipment may have been disabled in order to allow the fire to spread more quickly and cause more damage.
- Fire Department reports fire cause is incendiary, suspicious or unknown.
Concern: During the course of the on scene investigation, there may be conclusive evidence that the fire was not accidental. An individual may have intentionally started the fire for the insurance payment.

Regarding Fire Scene

- Commercial fire scene investigation reveals losses that primarily involve seasonal inventory or equipment, and occur at the end of the selling season (e.g. skiing equipment loss in the spring). Loss that primarily involves outdated electronics inventory (Laptops, iPads, and iPhones etc.).
Concern: Items may not be selling well and the reporting party wants to recover the full value rather than have to sell the equipment for a lesser profit or loss as used or as last season's.
- Fire scene investigation reveals absence of items of sentimental value (e.g. family bible, family photos, trophies and the remains of items usually found in a home or business).
Concern: Reporting party may have removed the items in preparation for a planned arson. The items then could be claimed as losses, but actually retained by the reporting party.
- Fire scene investigation reveals absence of remains of expensive items (e.g. Pianos, Large televisions, stereo equipment, appliances etc.).
Concern: Reporting party may have removed the items in preparation for a planned arson. The items could then be claimed as losses, but actually retained by the reporting party, or sold for a profit.
- Fire scene reveals absence of remains of non-combustible items (e.g. coins, guns, jewelry, etc.).
Concern: Reporting party may have removed the items in preparation for a planned arson. The items then could be claimed as losses, but actually retained by the reporting party.

Property Fraud (Burglary/Theft Reports)

Regarding Incident (Burglary/Theft)

- Suspiciously coincidental absence of individual or family at the time of the incident.
Concern: Individual planned the incident and made sure the loss occurred when they and/or family were not at home in order to avoid personal injury and/or suspicion.
- Theft losses include total contents of business/home including items of little or no value.
Concern: Burglars tend to concentrate on more expensive/resalable items, not items of little value.

Regarding Stolen Items

- Commercial losses include old or non-saleable inventory or chemicals/materials they are not licensed to possess.
Concern: Items may not be selling well and the individual wants to recover the full value rather than have to sell the equipment for a lesser profit or loss. Can't dispose of the items because of their nature and is filing a fraudulent claim to recoup the purchase price.
- Losses are incompatible with residence, occupation and/or income.
Concern: May not be able to continue making high payments on the property, and want out of the payments, or to obtain insurance payment to fully pay for the property. May also be trying to claim fictitious property.

Motorcycle Theft

In addition to the Vehicle Theft indicators the following indicators may also be present and are specific to Motorcycle Thefts/Recovery.

Regarding Incident (Motorcycle Theft)

- Individual reports a motorcycle stolen, and has a new special construction motorcycle registered.
Concern: Individual may be falsely reporting the motorcycle stolen, and used the parts to build a new special construction bike.
- Motorcycle is reported stolen by an individual with no motorcycle endorsement on their driver's license.
Concern: Individual may not have been able to pass the motorcycle endorsement test, and wants to recover as much of their investment as possible. Or purchased the motorcycle for the purpose of making a fraudulent claim and never intended to ride it. Or never even purchased the motorcycle in the first place.
- Motorcycle is reported as stolen during the winter season or late fall, when it might be time to store it for the winter. (Applicable for Vessel Theft Reports).
Concern: Individual does not want to make the lien payments and insurance payments while the motorcycle/vessel is in storage. Or the individual wants to purchase a newer more expensive motorcycle/vessel next season.

Vessel Theft

In addition to the Vehicle Theft indicators the following indicators may also be present and are specific to Vessel Thefts/Recovery.

Regarding Incident (Vessel Theft)

- Individual is moving or relocating.
Concern: Individual moves the vessel to the new address and is attempting to file a theft claim. Individual may be moving to an area where the individual will not be able to utilize the vessel and does not want to make payments on the vessel.

Regarding Vessel

- The third character of the HIN is a “Z”, indicating a state assigned HIN.
Concern: Vessel could be stolen, the HIN removed, and presented to the state as a homemade vessel, and was assigned a new HIN. Keep in mind some manufacturers may also assign a “Z” as the third character.