



Making Claims Clear Insurance Fraud

Insurance is a contract based on trust. We agree to pay all valid claims, and handle them in a fair and transparent way, and our customers have a duty to provide truthful and accurate information.

At AXA we are dedicated to keeping the insurance process free from fraud. It causes extra administration and investigations and it's unfair on our customers who end up paying for it in added premiums.

Insurance Fraud

If someone knowingly provides false or misleading information, it can be considered fraud, which could lead to the whole policy being cancelled, and even a criminal prosecution. If the policy is cancelled, they won't be able to make any claims and may not get back the premiums they've paid.

This can happen if they deliberately exaggerate a claim, for example by claiming for possessions they never owned or a higher value for the property lost or damaged – even if other parts of the claim are genuine.

Why do we manage fraud this way?

Insurance fraud hurts everyone – adding at least £50 to the costs of every policy bought in the UK. We have a moral obligation to protect our customers against rising premiums by working hard to detect, prevent and ultimately defeat fraud.

The cost of insurance fraud The Association of British Insurers (ABI) estimates insurance fraud costs the industry over £2.1bn annually and a fraudulent claim is submitted every five minutes in the UK alone.

What can be considered fraudulent?

Fraud can include knowingly giving false information about a claim, or not disclosing important information that could affect the cover. It can also include false information given by someone managing a claim on your behalf. Here are some examples:

Giving false information

- Lying about your job or your age to reduce the cost of a policy
- Exaggerating the cost of damaged items
- Increasing the number of years of no claims bonus entitlement you have to get a discount
- Giving an invalid driving licence or lying about how long you've held it
- Providing evidence to support a claim you know not to be true
- Claiming for a loss or incident that did not occur

Failing to disclose information

Not telling us about:

- Prior claims history
- Any previous convictions
- Previously cancelled policies
- What the vehicle is used for under a motor policy

Abuse of position

- A solicitor knowingly providing inaccurate or false information
- A claims management company encouraging a false or exaggerated claim



Example: Fabricated Claim

We received a claim from someone who said that our policyholder had driven into the back of their vehicle. When we inspected the vehicles, the damage was inconsistent with the claim. It turned out that one of the cars had been reversed into a wall and the entire claim had been fabricated. We refused to pay the whole claim, cancelled the policy and added the customer to the Insurance Fraud Register. When they tried to get a policy elsewhere they were refused.

Example: Inaccurate Policy Information

Someone used our website to get multiple quotes for their car insurance, each time changing their no claims discount to see how it would affect the policy premium. When we received their proof of their no claims discount, we showed that it was a forgery. We cancelled the policy and added the customer to the Insurance Fraud Register so other insurers would be aware of the fraud.

How AXA helps to prevent fraud

As part of our fraud prevention measures, we:

- Check the claims history and no claims discount, as well as circumstances surrounding the claim
- Use our experienced suppliers and experts to help us verify losses and claims circumstances.
- Share data between other insurers and the police to detect and disrupt fraudulent behaviour
- Work with our dedicated fraud teams trained in the detection, management and prevention of fraudulent claims
- Use up to date industry tools and technologies to detect fraud.

Need to report a fraud?

We cannot beat fraud alone.

If you suspect fraud, please speak to your insurance broker or contact us in confidence:



0345 900 4171



fraud@axa-insurance.co.uk



Other useful organisations

actionfraud.police.uk to report a fraud or for advice around fraud

cifax.org.uk Cyber-crime – the UK's fraud prevention service

insurancefraudbureau.org a dedicated insurance fraud agency

crimestoppers-uk.org

Get in touch

If you have any questions about this document, please get in touch with your usual AXA contact or your insurance broker.

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