



CASE STUDY – OWNER GIVE-UP OF VEHICLE

PEOPLE V. BERRIOS, NO. GO5O451, 2015 WL 357930. (CAL. CT. APP. JAN. 28, 2015).

Primary policy: Auto

Secondary policy: Homeowners

Items in question: Auto, contents

Supposed cause of loss: theft

Suspicious indicators: changing stories, lack of documentation

Actual cause of loss: owner give up

Summary

The insured made claim for a vehicle theft then made a claim for contents. Throughout the course of the investigation inconsistencies became apparent, and fraud was suspected. The case was investigated, and it was determined that the insured had fabricated the claim in total.

Facts

On May 8, 2008, Riverside Police Officer Michael Boulerville contacted Lilliam Ivette Berrios about a report concerning the theft of her automobile. She said her ex-boyfriend, whom she identified as Juan Carlos Lopez, took the keys to her 2009 Toyota Corolla, stating he was going to borrow the car. Ms. Berrios stated that the vehicle had stock tires and rims, and did not mention any property as having been in the vehicle when it was taken.

A week later, May 15, 2012, Ms. Berrios contacted the Automobile Club of Southern California (AAA) and submitted an insurance claim for the stolen car. The vehicle had already been recovered. The next day, a theft adjuster from AAA contacted Ms. Berrios about her claim; Ms. Berrios stated that her boyfriend went to her residence to talk about their relationship. He asked to borrow the Toyota and she said no, but he took the keys and the vehicle despite her refusal. The vehicle was financed and Ms. Berrios was behind in her payments. Again, Ms. Berrios did not claim any property was in the vehicle when it was stolen.

Later in the claim process the insured said a GPS device and two laptops were in the Toyota when it was taken. The insured told a different AAA adjuster that there were different wheels on the car when it was stolen. The insured was asked for the receipt for the rims she claimed were on the Toyota. A receipt for four rims at a total price of \$1,998, including sales tax was provided. The receipt was purportedly from Audio Video Specialist.

The insured then stated that the rims were in the trunk. An adjuster advised that items brought out of a residence and placed in an automobile are not covered by an automobile insurance policy but a homeowners policy. The insured stated that her ex-boyfriend stole her automobile and the property inside the vehicle. She said the items in the vehicle included two laptop computers, a wallet containing \$600, a one carat engagement ring, earrings, a GPS, a car seat, car covers, a radio, a television, and the rims on her tires were removed from the vehicle. The insured provided a proof of loss for the items but no receipts for any items other than the rims.

A friend of the insured testified that she had known the insured for years and that she had never heard of the supposed boyfriend who stole the vehicle. The friend was at the premises the night the vehicle was supposedly stolen, and said that the insured gave the keys to someone to take the car away. The friend said that the day before the car was reported stolen, she heard the insured tell her boyfriend Victor Hernandez about her car, about being late on the payments, and not wanting the vehicle repossessed, which would result in her losing her money. The insured said she wanted to "get rid

of the car.” Later that night, a woman came to the residence. The insured went outside to talk to the woman, came back inside, grabbed her keys, and went back outside again and spoke with the woman. No ex-boyfriends of the insured went to the insured’s residence that night. When the friend went outside the next morning, the car was gone.

The owner of the shop where the receipt for the rims was from had never seen the insured, never sold that brand of rims, would have had vehicle identifying information on the receipt had he issued it, and had run into situations before where people falsified receipts from his shop.

AAA paid on defendant’s automobile insurance claim. The car was declared a total loss and AAA paid the lienholder over \$11,000 and paid defendant over \$5,600.

The claim was turned over to fraud investigators at the district attorney’s office, due to the inconsistencies in the claim information.

Final Result

A jury convicted defendant Lilliam Ivette Berrios of two counts of insurance fraud, two counts of presenting a false statement in support of an insurance claim, preparing a writing for submission in support of a false claim, unlawful possession of personal identifying information of another and making a false police report, a misdemeanor. The court imposed a four years and eight months commitment. The court sentenced defendant to credit for time served on the misdemeanor and stayed the sentences imposed on two other counts. The court then ordered defendant to serve two years in custody and the remaining time out of custody under supervision. In *People v. Berrios*, No. Go5o451, 2015 WL 357930. (Cal. Ct. App. Jan. 28, 2015). Berrios appealed her convictions.

Each conviction was for a basic violation of a separate crime stated in the statute and, therefore, Ms. Berrios will spend two years in jail. The shopkeeper’s testimony that this was not the first time someone tried to Photoshop one of his receipts and then submit it to an insurance company was vital to the case. This highlights how important it is to verify vendor receipts with the vendor.

Practical tips/fraud indicators: Always look at documentation – does it have invoice numbers, charges for sales tax, things consistent with other receipts from the store.

Changing stories; does the insured change stories as to what happened, what was damaged or other details of the loss.

Information from others; do merchants and friends substantiate the claim, or do they provide conflicting evidence as to what happened.

Is the insured behind in payments – this is always a potential fraud indicator; while many people behind on payments do not ditch their vehicles or make up claims, it is always advisable to pay extra attention to details when this factor is present.

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