

## **Abstract**

We present evidence to support the existence of opportunistic fraud in the automobile theft insurance market in Taiwan. After encountering a typhoon hit, the insured who purchase automobile theft insurance but do not purchase typhoon/flood insurance tend to have a significantly higher probability of filing a total theft claim than other insured. The above relationship exists mainly in places affected by typhoons. Such evidence does not exist in partial theft claim. These claim patterns of automobile theft insurance provide us with strong evidence that support the existence of opportunistic fraud in the market.

Keywords: opportunistic fraud, automobile theft insurance