



Public Service Announcement

FEDERAL BUREAU OF INVESTIGATION



August 15, 2011

AUTOMOTIVE BRAND HIJACKERS USE FALSE PROTECTION CLAIMS AND LIVE CHAT TO LURE ONLINE AUTO SHOPPERS

Online vehicle shoppers are being victimized by fraudulent vehicle sales and false claims of vehicle protection (VPP) programs.

In fraudulent vehicle sales, criminals attempt to sell vehicles they do not own. Criminals create an attractive deal by advertising vehicles for sale at prices below book value. Often the sellers purport they need to sell the vehicle because they are being moved for work or deployed for the military. Because of the alleged pending move, criminals refuse to meet in person or allow inspection of the vehicle, and they often attempt to rush the sale. To make the deal appear legitimate, the criminal instructs the victim to send full or partial payment to a third-party agent via a wire transfer payment service and to fax their payment receipt to the seller as proof of payment. The criminal pockets the payment but does not deliver the vehicle.

Criminals also attempt to make their scams appear valid by misusing the names of reputable companies and programs. These criminals have no association with these companies and their schemes give buyers instructions which fail to adhere to the rules and restrictions of any legitimate program. For example, the eBay Motors Vehicle Protection Plan (VPP) is a reputable protection program whose name is commonly misused by these criminals. However, the VPP is not applicable to transactions that originate outside of eBay Motors, and it prohibits wire transfer payments. Nevertheless, criminals often promise eBay Motors VPP protections for non-eBay Motors purchases, and instruct victims to pay via Western Union or MoneyGram.

In a new twist, criminals use a live chat feature in email correspondence and electronic invoices. As live chat assistants, the criminals answer victims' questions and assure victims that the deals are safe, claiming that safeguards are in place to reimburse the buyer for any loss. The criminals falsely assert that their sales are protected by liability insurance coverage up to \$50,000.

Automotive shoppers should exercise due diligence before engaging in transactions to purchase vehicles advertised online. In particular, shoppers should be cautious of the following situations:

- Sellers who want to move the transaction from one platform to another (for example, Craigslist to eBay Motors).
- Sellers who claim that a buyer protection program offered by a major Internet company covers an auto transaction conducted outside that company's site.
- Sellers who push for speedy completion of the transaction and request payments via quick wire transfer payment systems.
- Sellers who refuse to meet in person, or refuse to allow the buyer to physically inspect the vehicle before the purchase.
- Transactions where the seller and vehicle are in different locations. Criminals often claim to have been transferred for work reasons, deployed by the military, or moved because of a family circumstance, and could not take the vehicle with them.
- Vehicles advertised at well below their market value. Remember, if it looks too good to be true, it probably is.

If you have witnessed this behavior or fallen victim to this type of scam, please file a complaint with the IC3 at www.IC3.gov.