



Public Service Announcement

FEDERAL BUREAU OF INVESTIGATION



October 13, 2006

AUTO AUCTION FRAUD

The IC3 has received a significant number of recent complaints regarding Internet auction fraud involving the sale of automobiles purported to be located outside of the United States. The typical fraud involves an auction for a vehicle said to be in Europe, and for which the buyer pays with Western Union or other wire transfer mechanism. The buyer does not receive his or her automobile in these auctions, and the money is not recoverable.

The IC3 wishes to caution all potential buyers of vehicles which are located outside of the United States. The IC3 encourages consumers to do considerable research before purchasing an automobile on an auto auction Web site when the vehicle is listed as being located in a foreign country. Unless the dealer selling the automobile is personally known to the buyer as being reputable and the money transfer is handled through a legitimate escrow service, there is a high risk involved in engaging in a purchase. Automobile shoppers are also cautioned to be wary of "second chance auctions" and other schemes in which a "seller" of a vehicle e-mails a potential buyer to inform the buyer the high bidder on the auction defaulted and the vehicle can be purchased by the buyer at his or her previous bid or at a discount. This tactic has been used in many auto auction frauds.

If you have received this, or a similar hoax, please file a complaint at www.IC3.gov.