



BILL THIEBAUT  
District Attorney

OFFICE OF THE DISTRICT ATTORNEY  
TENTH JUDICIAL DISTRICT, COLORADO

STACIE HARRIS  
Legal Assistant

## **Informational Alert – November 2010**

by Stacie Harris, Economic Crimes Unit

### **Auto Sales Scam**

The District Attorney's Office has received complaints regarding sale scams that are taking place within the auto magazines. There are actually two type of scams occurring.

The first scam is when a legitimate buyer contacts what he/she believes to be a seller of a vehicle in another state. The seller in this scenario is actually a scammer wanting to separate you from your hard earned money. After phone calls and/or emails between the two, a purchase is made for the vehicle, usually site unseen. The buyer wires money to the bogus seller, or to what the seller claims to be an escrow representative. When the vehicle is never received, the buyer contacts the seller to complain and either finds that the phone number or email address is no longer valid, or the phone calls go unreturned.

The second scenario is when a legitimate seller places an ad for a vehicle in a magazine, or on the internet, with a contact email address or phone number for any responses. A bogus buyer contacts the seller and state that he/she will pay the full asking price and even pay extra on top of the asking price. The bogus buyer states the extra money is for shipping of the vehicle to a foreign country as they are representing a buyer overseas. The bogus buyer even offers to pay by cashier's check. Of course, the legitimate seller is astonished and excited to receive the full amount. The legitimate seller anxiously accepts the offer and the bogus buyer states that a cashiers check will be sent and that when it is received, it should be deposited and the extra money immediately sent on to the shipping company, after which arrangements will be made to pick up the item being sold. When the cashiers check is received, it of course looks authentic and is deposited. Most counterfeit checks are difficult to distinguish from a valid check and most are not discovered as fakes until after money has been wired to the alleged shipping or escrow company, which is in fact an accomplice working with the bogus buyer.

Recovery of any funds sent are pretty much wishful thinking and hoping. Please also be aware that if the bank determines that the cashiers check was fraudulent, the bank can, and will, hold you liable for the money that you have withdrawn from your account and wired.

It is never a good idea to do business for an item that you have never seen. You also take a great risk of doing business over the internet with someone that you have never met or particularly if they are in another country. Basic rule of thumb, buyer (seller) beware. If it sounds too good to be true, then it usually is.