

CONSUMER AFFAIRS TABLOID



Keeping you in the “KNOW”



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Army Community Service Financial Readiness Branch

December 2011

Excerpt from: The Federal Bureau of Investigation
www.fbi.gov/news/stories/2011/august/car_081511/car_081511

Buying a Car Online? Read This First

How the scam works. While there are variations, here's a basic description: consumers find a vehicle they like—often at a below-market price—on a legitimate website. The buyer contacts the seller, usually through an e-mail address in the ad, to indicate their interest. The seller responds via e-mail, often with a hard-luck story about why they want to sell the vehicle and at such a good price.

In the e-mail, the seller asks the buyer to move the transaction to the website of another online company...for security reasons.

Through the new website, the buyer receives an invoice and is instructed to wire the funds for the vehicle to an account somewhere. In a new twist, sometimes the criminals pose as company representatives in a live chat to answer questions from buyers.

And by the time buyers realize they've been scammed, the criminals—and the money—are long gone.



Better Business Bureau Tidbit

How to Recognize When an Online Auto Deal is Bogus

The creative scam that we received calls about last year has been perpetrated in many states across the country. The crooks steal the identity and good name of real auto dealers, setting up bogus websites that advertise repossessed cars at cheap prices. The websites even contain certification seals that link to a phony certification agency to lend more credibility to the scam. Buyers are instructed to wire a deposit to hold a car and then directed to the address of the real dealer to pay the balance and pick up the car. Again, money wired is lost.

We always encourage people to check out companies with the Better Business Bureau, but that wouldn't have been sufficient due diligence in this case. The dealer involved is a longtime BBB Accredited Business, so someone reading our Business Review might have thought everything was on the up and up.

Go to www.bbb.org/us/article/How-to-Recognize-When-an-Online-Auto-Deal-is-Bogus-30483 for tips on how to recognize an online scam

ASK BUCKSAVER

Dear Bucksaver: I need a new set of wheels. Don't get me wrong, I really loved Betsy and we've been through a lot together but my wife is expecting twins and I need a larger vehicle. I don't have time to take off of work to attend a car buying class and was wondering if you could help. – Time is money.

Dear Time: Twins? If you think your schedule is busy now just wait till your new bundles of joy arrive. As for your vehicle buying question, the Financial Readiness Branch offers an online vehicle buying class on their website at www.hoodmwr.com/acs/frb.html.

Have a question for Bucksaver? Send an email to the e-mail address listed below with Dear Bucksaver in the subject line.



www.hoodmwr.com/acs/frb.html

usarmy.hood.imcom-fmwrc.list.acs-frb@mail.mil

Excerpt from: Texas Department of Motor Vehicles

www.txdmv.gov/protection/auto_theft/avoid.htm

Avoid Buying a Stolen Vehicle



Many stolen vehicles are sold to unsuspecting buyers. If you knowingly buy a stolen car, you can be arrested. If you buy a stolen car unknowingly, you could lose the car and your money. To avoid becoming the car thief's second victim, we urge you to keep these tips in mind:

- When buying from a private individual, make sure the title and registration match the name and address of the person selling the car.
- Be cautious of a seller with no fixed address, place of employment or phone number.
- Ask the seller for references about past financing and insurance on the vehicle. Verify the information with the bank, finance company or agent.
- Ensure the vehicle identification number (VIN) on the automobile's dash is present, secure and unaltered.
- Check to ensure the VIN plate has not been repainted and the numbers stamped in the plate appear to be the original factory numbers.
- If in doubt about plate authenticity, check with a new car dealer who handles the same model, or contact a law enforcement agency. (Thieves may remove the VIN plate and replace it with one from a similar wrecked vehicle.)
- Be suspicious of any deal that seems "too good to be true."

Money Talks Mine Always Says Goodbye!

From the Files of Fort Hood's Consumer Affairs Office Buying a Vehicle on the Internet

Searching online provides a large array of vehicles available for sale which might get you your dream car at a bargain price. Remember to use caution and do your research.

Contact the seller to find out the details. Why are they selling the vehicle? Do they have copies all of maintenance records? How many previous owners? Is there a warranty left on the vehicle? Does the owner or dealer have the title free and clear?

Buying a vehicle strictly over the internet can be risky. You or your mechanic needs to inspect the vehicle in person. If the seller isn't local, you will need to arrange a trip to the seller's location to inspect and test drive the vehicle.

Research the details of the vehicle. Was it ever reported stolen, salvage, damage or flooded? Price compare like vehicles and take in account fees, taxes and registration costs.

Back issues of the Consumer Affairs Tabloid are available on the Financial Readiness section of the ACS website at www.hoodmwr.com/acs.

Have questions? Contact: melody.a.squires.civ@mail.mil or call (254)553-4702.

Army Community Service Financial Readiness Branch

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Financial Peace University
Teaches families to beat debt, build wealth, plan for retirement and set personal financial goals.



**For more information
Call 254-287-6483**

Website:

www.hoodmwr.com/acs/frb.html

Please see our website for a list of classes to include our online vehicle buying class.

Access your free credit report:
www.annualcreditreport.com
1-877-322-8228