



March 26, 2020

Dealer Alert

PITFALLS TO REMOTE SALES

As dealers struggle province-wide to keep sales moving and their employees working, many have turned to a remote selling model. OMVIC sent a bulletin out earlier about this:

<https://www.omvic.on.ca/portal/NewsPublications/DealerBulletins/2020/tabid/559/aid/457/Default.aspx>

We'd like to remind dealers of the dangers posed when selling remotely. The chaos caused by Covid-19 presents a golden opportunity for crooks and scam artists.

At least two dealers have reported being scammed by a fraud involving sales put together entirely over the phone and concluded off site, in one case at a McDonald's restaurant. The ID used to secure bank financing for the vehicles was nothing more than a Driver's Licence. It was fake.

Now the bad guys are gone, the cars are gone and the lenders want the dealers to repay their loan advances.

Remote sales might sound good and may be necessary in order to continue operating in the current environment, but your due diligence levels should be even higher than in normal times, because you really do not know who you are dealing with when doing deals over the phone or on the internet.

Assume the buyer is not who they say they are.

A Driver's Licence by itself is not enough to establish identity in this day and age ... seek passports, other government photo and non-photo ID, bills, proof of address and really look carefully at what is being offered. Compare signatures. Look carefully at spelling and photos and be on your guard ... be suspicious.

It's not business as usual when you sell vehicles remotely.