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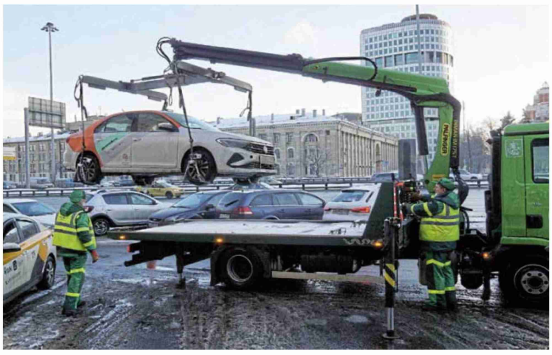
Don't get caught by car recall scam

NEWS/ *It is highly unlikely a manufacturer will fetch your car from you so make sure not to hand over your car to a third party when a recall message reaches you*



Scams sometimes seem legitimate and above board.

Motor News Reporter

Car owners are warned of a resurgence in vehicle recall scams during which criminals pose as officials representing a carmaker or tracking company.

The nonprofit company Insurance Crime Bureau (ICB) says criminals convince owners their vehicle is part of a batch being recalled for a malfunction or mechanical fault. They arrange for the vehicle to be fetched by a tow truck or a flatbed – and that's the last you see of your car.

"What makes the scam believable is that the scammers know your registration number and personal info," says Wynand van Vuuren, client experience partner at King Price.

"It all seems legitimate and above board. Many people actually think they're getting great service, when they're busy being robbed of their car."

By targeting dealership records, criminals are often able to gain detailed information about unsuspecting consumers, such as the last service your car had, and even how many kilometres a month you drive.

Anneli Retief, head of Dialdirect Insurance, says: "With the promise of a repaired or replacement vehicle, many people buy into this scam and end up losing tens, or even hundreds of thousands of rand."

Criminals sometimes pose as representatives of tracking companies, saying there is something wrong with a vehicle's tracking device. Netstar and Tracker in 2020 reported a scam where criminals say they need to come out to repair or replace the vehicle. The scammers then take the car for a "test drive" and never return.

Victims who lose their cars to scammers won't necessarily be covered for the theft by their insurance companies, and policyholders need to take reasonable care to protect the vehicle.

Our small poll of insurance companies reveals that in some cases clients would be automatically covered, while other insurers said each claim would be considered on merit.

Insurance companies offer the following tips to avoid becoming a victim:

- If someone calls you about a car recall, contact your manufacturer or dealer to verify if they are an employee, and if there is a genuine recall.
- In the case of a genuine recall, the manufacturer will send you formal communication that describes the process in detail, the steps to follow, and how to verify what's happening at every stage;
- Don't hand your car to a third party. It's unlikely that a manufacturer will fetch your car from you. They will generally ask you to take it in to a dealer yourself;
- Limit the amount of personal information you share on social media and telephonically. Criminals use this to build a detailed profile of their victims; and
- Report any suspicious calls to the authorities, the manufacturer and/or the dealership.

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