Conducting dealer and vehicle investigations in a global internet vehicle sales environment
What is different about investigations?

• Investigations; out of state. Complaints are from across the nation/world, can victim find you?
• Title and odometer fraud; easier, more prevalent, detection?
• Resources available out of state? Will agencies outside your state cooperate? Can you serve subpoena's outside your state?
• Vehicle manufacturer cooperation outside your state?
• Knowledge of an out of state/country dealer. Wholesale licenses / retail sales? Dealers selling the use of their license.
• Fake dealerships and vehicle ads on internet with single site or using another dealers name to advertise.
What is different about investigations?

• Ease of remaining anonymous on internet.
• Franchise and dealer laws coupled with virtual sales.
• Title laws – some don’t fit with virtual sales.
• Public trust changing with virtual sales; society becoming more trustworthy when shopping online.
• Electronic devices to communicate and electronic record of transactions. Paper files - less common.
• Interstate vehicle sales and vehicle tax evasion.
Case study – International- Romania

- **Money Offered for Information Leading to Arrest of Two Fugitives Charged in Multi-Million-Dollar International Cyber Fraud Scheme**
- Selling a customer something that does not exist.
- Story of Dumitru Daniel Bosogioiu and Nicolae Popescu; FBI’s Most Wanted. 13 Defendants in all.
- Items for sale didn’t exist.
- False identities, fraudulent titles, fictitious dealerships, fake invoices from Amazon and PayPal.
Regulating in the New Economy
WANTED BY THE FBI

DUMITRU DANIEL BOSOGIOIU

Conspiracy to Commit Wire Fraud, Money Laundering, Passport Fraud, and Trafficking In Counterfeit Service Marks; Wire Fraud; Money Laundering

DESCRIPTION

-Aliases: Dumitru Daniel Bosogoiu, Dumitru Bosogoiu, Dumitru Bosogoiu, Boghi Bosogoiu, "Boghi"
-Date of Birth: July 17, 1983
-Hair Color: Brown
-Eyes: Brown
-Height: 5'5" (174 cm)
-Weight: 154 pounds (70 kg)
-Sex: Male
-Nationality: Romanian
-NIC(1): 992462478

REWARD

The United States Department of State's Transnational Organized Crime Rewards Program is offering a reward of up to $750,000 for information leading to the arrest and/or conviction of Dumitru Daniel Bosogoiu.

REMARKS

Bosogoiu speaks English, with an accent, and Romanian. He may have traveled to Europe.

CAUTION

Dumitru Daniel Bosogoiu is wanted for his alleged participation in a sophisticated Internet fraud scheme where criminal enterprise conspirators, based in Romania and elsewhere in Europe, posted advertisements on Internet auction market sites for merchandise for sale. These advertisements contained images and descriptions of vehicles and other items for sale, but those items did not really exist. Conspiracy members involved in sales then negotiated via email with unsuspecting buyers in the United States. These "sellers" sent fraudulent invoices, that appeared to be from legitimate online payment services, to the victim buyers. With instructions for payment to bank accounts held by other conspirators in the United States. These conspirators opened United States bank accounts under false identities using fraudulent passports made in Europe by other conspirators. When victim wired money to an account identified on the false invoices, the conspirator associated with that account would be notified and then withdraw the proceeds and send them via wire transfer to another conspirator based on emailed instructions.

A federal arrest warrant was issued for Dumitru Daniel Bosogoiu on December 20, 2012, in the United States District Court, Eastern District of New York, Brooklyn, New York, after he was charged by indictment for Conspiracy to Commit Wire Fraud, Money Laundering, Passport Fraud, and Trafficking in Counterfeit Service Marks, Wire Fraud, and Money Laundering.

If you have any information concerning this case, and you are outside the United States, please contact the nearest American Embassy or Consulate. Inside the United States, please contact your local FBI office or the FBI's toll free line at 1-800-CALL-FBI (1-800-225-5324). You may also submit a tip online at tips.fbi.gov.

Field Office: New York
Case study - International

- Over $3 million dollar scheme.
- Charges consist of: wire fraud, money laundering, passport fraud, trafficking in counterfeit service marks.
Case study – Iowa/Illinois

- Iowa subject (Ryan McFarland) acted as an agent for an Illinois auto dealer, selling cars in Iowa.
- Seventy seven vehicles in question. Over $200,000 in value loss by buyers.
- Odometers tampered and spun back.
- Cars advertised and sold via Craigslist.
- County office alerts DOT Investigator.
- Research conducted, search warrant executed.
Case study – Iowa/Illinois

• Charges filed, warrant issued, subject arrested; Ongoing criminal conduct (2 felony counts) and fraudulent practice (4 felony counts).

• Method of operation. Older Honda vehicles.

• Picking up the pieces of vehicles sold for victims with tampered odometers.

• Subject prior conviction for child endangerment
Overcoming These Challenges

• Use resources such as: NMVTIS, NOTFEA, FDR training & contact lists, AAMVA fraud calls, and have regular communication with those in your field (intrastate and interstate).

• Careful review of your state laws; e-commerce compatibility.

• New Iowa law on dealer license selling. 322.3 SF2228

• Existing Iowa law banning creation of “shell” corporations to evade Iowa taxes. 321.55

• Auditing to detect unusual transaction activity from dealers or other sources.
Overcoming These Challenges

• Direct communication and education with your title issuance agencies.

• Make it simple for the public to contact your office and file complaint.

• Have staff trained and available for computer forensics and examination.

• Establish regular rapport with State’s Attorney General for Consumer Protection. Public education.

• Determine now what options you have to retrieve out of state information.
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