ODOMETER FRAUD TRENDS

Presented by:
Deputy Chief Tom Wilson - CA DMV Investigations
CARFAX ODOMETER RESEARCH 2013

Odometer fraud is a major problem

Vehicles in operation with rollback:

1,013,929

Cases of odometer fraud per year:

190,255
CARFAX ODOMETER RESEARCH 2013

State Analysis

Rollbacks per State

<table>
<thead>
<tr>
<th>Rank</th>
<th>State</th>
<th>Rollbacks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>California</td>
<td>295,208</td>
</tr>
<tr>
<td>2.</td>
<td>Texas</td>
<td>120,743</td>
</tr>
<tr>
<td>3.</td>
<td>New York</td>
<td>70,672</td>
</tr>
<tr>
<td>4.</td>
<td>Georgia</td>
<td>40,682</td>
</tr>
<tr>
<td>5.</td>
<td>Florida</td>
<td>39,900</td>
</tr>
<tr>
<td>6.</td>
<td>Massachusetts</td>
<td>31,555</td>
</tr>
<tr>
<td>7.</td>
<td>North Carolina</td>
<td>30,773</td>
</tr>
<tr>
<td>8.</td>
<td>Virginia</td>
<td>25,818</td>
</tr>
<tr>
<td>9.</td>
<td>Arizona</td>
<td>22,167</td>
</tr>
<tr>
<td>10.</td>
<td>Illinois</td>
<td>21,906</td>
</tr>
</tbody>
</table>

Highest % of Rollbacks

<table>
<thead>
<tr>
<th>Rank</th>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>California</td>
</tr>
<tr>
<td>2.</td>
<td>Nevada</td>
</tr>
<tr>
<td>3.</td>
<td>Massachusetts</td>
</tr>
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<td>New York</td>
</tr>
<tr>
<td>5.</td>
<td>Texas</td>
</tr>
<tr>
<td>6.</td>
<td>New Hampshire</td>
</tr>
<tr>
<td>7.</td>
<td>Georgia</td>
</tr>
<tr>
<td>8.</td>
<td>Idaho</td>
</tr>
<tr>
<td>9.</td>
<td>Colorado</td>
</tr>
<tr>
<td>10.</td>
<td>Arizona</td>
</tr>
</tbody>
</table>
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Consumer Impact

Annual consumer loss: $761M

Dept. of Justice: $4,000 avg. loss per rollback
(lost value + maintenance costs)
HILL CASE STARTED WITH AN ALTERED TITLE
How Investigations Are Initiated

- Consumer Complaint
- Field Office Identification
- Other Law Enforcement Referral
What Is Needed First

Original Documents
DMV Reg 262
Title
Other Available Documents

Sellers Phone Number and Location of Sale.
Google Search
Local Newspaper Search
Craigslist.com Search

(559) 488-4024  5594884024  559 488-4024
Craigslist Search Warrant

- All information for the account holder related to the phone number.
- All posts made by the account holder.
- Any secondary accounts.
--------- DATABASE ENTRY NUMBER 531 ------------------------------------------

    posting_id: 3261422878
    poster_email: mrcnotes66@aol.com
    user_id: 3263382
    poster_ip: 67.181.159.38
    auth_user_phone: 5592851907
    record_created: Sun Sep 09 2012 18:33:07 (Pacific)
    posted_date: Sun Sep 09 2012 18:33:07 (Pacific)
    record_modified: Mon Sep 10 2012 13:46:29 (Pacific)
    area_description: bakersfield
    subarea_description: n/a
    neighborhood: n/a
    geographic_area: fresno
    category_description: cars & trucks - by owner
    category_type: for sale / wanted
    price/age: 7800
    invoice_item_id: n/a
    privacy: anonymized email address
    posted_state: user deleted

    posting_title: 2001 Chevrolet Silverado 1500
    PostingBody
    =========

2001 Chevrolet silverado, Pewter w/ dark interior, 5.3 v8 motor, clean title, 67k orginal miles, never been in a accident, must sale, 7800 obo call or text for more info 559-258-2098 thanks

Location: fresno
it's NOT ok to contact this poster with services or other commercial interests
Once Suspect is Identified

- Notify Field Office Managers of what to look for.
- Identify what District Attorney is best.
- Spreadsheets of identified vehicles.
- Spreadsheets of victims.
- Carfax reports.
- Registration histories.
- Edmunds.com or KBB.com for values.
- BAR V97 test results.
- Criminal History
- Parole/Probation
Field Work

- Residential surveillance.
- Location checks for pictures and plates.
- Interview previous R/O, (obtain CL post).
- Interview new R/O, (obtain CL post).
- Contact suspect and act as a prospective buyer.
VLT STOPS

• Identify vehicles
• Place VLT stops
• If V53 cases and vehicle “Suspensed” contact ISU for original documents.
ODOMETER FRAUD

VEHICLE IDENTIFICATION
OR BURNES ROBERT A
5654 W MORRIS AVE
FRESNO CA 93722

I certify under penalty of perjury under the laws of the State of California that the signatures below releases interest in the vehicle:

To: 10/1/10  x  John C. Burnes

Federal and State law requires that you state the mileage upon transfer of ownership. Failure to complete or provide the statement may result in fines and/or imprisonment.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

10/1/10  x  John C. Burnes 10/12/21  x  May 11/12

IMPORTANT READ CAREFULLY

Any change of lienholder (holder of security interest) must be reported to the Department of Motor Vehicles within 10 days.

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The odometer reading is not the actual mileage. Any change of lienholder (holder of security interest) must be reported to the Department of Motor Vehicles within 10 days.

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The following statements is checked:

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<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/10/21</td>
<td>06:55:14</td>
</tr>
<tr>
<td>10/11/21</td>
<td>09:48:07</td>
</tr>
<tr>
<td>10/12/21</td>
<td>09:48:07</td>
</tr>
</tbody>
</table>
The law requires that you state the mileage upon treatment, and State law requires that you state the mileage upon treatment may result in fines and/or imprisonment.

The odometer now reads 128,000 (no tenths), unless one of the following statements is checked.
<table>
<thead>
<tr>
<th>SELLING MILEAGE</th>
<th>SALE PRICE</th>
<th>TRUE MILEAGE</th>
<th>VALUE</th>
<th>DIFFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>64,430</td>
<td>$6,000.00</td>
<td>105,991</td>
<td>$3,874.00</td>
<td>$2,126.00</td>
</tr>
<tr>
<td>46,411</td>
<td>$7,800.00</td>
<td>237,012</td>
<td>$3,278.00</td>
<td>$4,522.00</td>
</tr>
<tr>
<td>72,062</td>
<td>$6,500.00</td>
<td>272,020</td>
<td>$4,187.00</td>
<td>$2,313.00</td>
</tr>
</tbody>
</table>
While conducting investigation run an R60 and determine last reported mileage.

BASE OF LIABILITY (REG. 138)
IPT DATE: 08/05/13 TRANSFER DATE: 07/24/13
R: AGUILAR AUTO PARTS, 2672 S KING RD
S: SAN JOSE SELLER: SAME AS R/O ON FILE

RANCIST INFORMATION RECORDS:

<table>
<thead>
<tr>
<th>DATE</th>
<th>WORK DATE</th>
<th>TECH/ID</th>
<th>SEQ #</th>
<th>VALUE</th>
<th>FICHE DATE</th>
<th>TTC</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/05/08</td>
<td>FS</td>
<td>0001</td>
<td>00229.00</td>
<td>00/00/00</td>
<td>A00</td>
<td></td>
</tr>
<tr>
<td>08/11/09</td>
<td>80</td>
<td>0149</td>
<td>00331.00</td>
<td>00/00/00</td>
<td>POT</td>
<td></td>
</tr>
<tr>
<td>08/25/10</td>
<td>41</td>
<td>7285</td>
<td>00304.00</td>
<td>00/00/00</td>
<td>POT</td>
<td></td>
</tr>
<tr>
<td>08/22/11</td>
<td>41</td>
<td>7159</td>
<td>00207.00</td>
<td>00/00/00</td>
<td>POT</td>
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<tr>
<td>09/04/12</td>
<td>42</td>
<td>7295</td>
<td>00191.00</td>
<td>00/00/00</td>
<td>POT</td>
<td></td>
</tr>
<tr>
<td>09/04/12</td>
<td>42</td>
<td>5295</td>
<td>00071.00</td>
<td>00/00/00</td>
<td>POT</td>
<td></td>
</tr>
<tr>
<td>07/08/13</td>
<td>GT</td>
<td>0480</td>
<td>00019.00</td>
<td>00/00/00</td>
<td>NOO</td>
<td></td>
</tr>
</tbody>
</table>

3/2013-ODOMETER: 94,493 MILES ACTUAL MILEAGE
ODOMETER FRAUD

Alrawashdeh Case - FRESNO CALIFORNIA
ODOMETER FRAUD

FRESNO CALIFORNIA
National News – NBC Today Show
ODOMETER FRAUD

LOS ANGELES CALIFORNIA
QUESTIONS?
For More Information
Contact:
Tom Wilson - Deputy Chief
CA DMV Investigations
(559) 444-2529
Thomas.Wilson@dmv.ca.gov