



MEMORANDUM

Extended Vehicle Warranty Telephone Solicitations

Q & A

Dealerships around the state have reported receiving numerous inquiries from customers asking about telephone solicitations from companies offering to extend manufacturer warranties. Concerns have centered primarily on privacy issues and the release of non-public information.

Q1. I recently received a phone call from a company that offered to extend the manufacturer warranty on my vehicle. Is Servco selling extended warranties by phone?

A1. The State Office of Consumer Protection, a division of the State Department of Commerce and Consumer Affairs, has reported that this is a scam that is targeting Hawaii consumers. Servco is not sponsoring, supporting or participating in these telephone solicitations in any way.

In addition, Servco does not share or sell private and personal customer information.

Q2. How did this company get my telephone number?

A2. The State Office of Consumer Protection has explained that the companies responsible for these solicitations are using automated dialing systems that dial random telephone numbers in a certain geographic region. In this case, these companies are targeting vehicle owners who have vehicles near the end or out of factory warranty coverage – a group that includes someone in nearly every household in Hawaii. Invariably, randomly dialing enough numbers will result in contact with a number of non-published numbers and cell phones, in violation of Hawaii's Do Not Call law.

Q3. How should these calls be handled?

A3. The State Office of Consumer Protection recommends that individuals immediately hang up if they receive calls from companies offering to sell extended vehicle warranties. Under no circumstances should consumers share any personal or financial information with these companies.

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- Q4. Where can I go for additional information?
- A4. The State Department of Commerce and Consumer Affairs maintains a Consumer Resource Center. More information on contacting that office can be found online at <http://www.Hawaii.gov/dcca>.

On March 20, the State's Office of Consumer Protection released the following statement:

“STATE WARNS CONSUMERS ABOUT VEHICLE WARRANTY SCAM”

HONOLULU – The State's Office of Consumer Protection (OCP) is warning consumers about a vehicle warranty scam that is targeting Hawai'i consumers.

During the past month, OCP has received complaints from consumers about repeated phone calls from various companies that are allegedly selling extended auto warranties. The companies offer to sell outrageously priced extended warranties, while trying to get confidential personal financial information from the consumers.

The calls are in violation of Hawai'i's Do Not Call law, and are generally initiated by scammers using automatic dialers. After hearing a recorded message that the consumer's auto warranty is about to expire, consumers are asked to respond to the telephone call by pressing a number to speak to a representative. After this is done, a live person gets on the line and gives the consumer a deceptive pitch that their car warranty is about to expire, but an extended warranty is available for purchase.

Among the purported warranty companies identified on the calls are: National Auto Warranty Services, Warranty Service Center, National Auto Warranty, and Warranty Activation Headquarters.

OCP along with numerous states on the mainland are aggressively investigating these scammers and advising consumers not to give in to their underhanded tactics.

“If they call you, just hang up,” warned Stephen Levins, executive director for the Office of Consumer Protection. “Don't give them any personal information, especially your banking, credit card, or social security numbers. These scammers are interested in one thing and one thing only, to rip you off.”

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