



DEPARTMENT OF THE ATTORNEY GENERAL

News Release

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ODOMETER ROLLBACK DEFENDANTS PLEAD NO CONTEST

HONOLULU-Attorney General Mark Bennett announced today that Honolulu residents Ernest C. Hill and Dian H. Creeden, husband and wife, each pled no contest to one count of identity theft in the second degree, two counts of theft in the second degree, one count of attempted theft in the second degree, and three counts of misrepresentation of distance traveled prohibited before First Circuit Court Judge Richard K. Perkins. Sentencing will take place on December 23, 2003. The Attorney General stated: "Odometer fraud is a serious offense that will not be tolerated in the State of Hawaii."

These charges arose out of the sale of a 1993 Toyota Previa with a rolled back odometer on April 9, 2003, the sale of a 1996 Toyota Corolla with a rolled back odometer on April 29, 2003, and the attempted sale of a 1993 Toyota Previa with a rolled back odometer on June 17, 2003. Investigation by Special Agent Greg Gonsalves of the Investigations Division of the Department of the Attorney General revealed that Ernest Hill and Dian Creeden were acquiring motor vehicles using false names, registering the vehicles under false names, rolling back the odometers and then using false names to advertise and sell the vehicles to consumers.

Hawaii now has a model identity theft statute. Identity theft in the second degree is a class "B" felony punishable by up to ten years in prison and by a fine of up to \$25,000 or twice the pecuniary gain from the crime whichever is greater.

Theft in the second degree and attempted theft in the second degree are both class "C" felonies punishable by up to five years in prison and by fines of up to \$10,000 or twice the pecuniary gain from the offenses whichever is greater.

Misrepresentation of distance traveled prohibited is a misdemeanor punishable by up to one year in jail and by a fine of up to \$2,000 or twice the pecuniary gain from the offense whichever is greater. In addition, individuals who misrepresent the mileage on a car to a buyer are liable for civil damages equal to three times actual damages or \$1,500.00 whichever is greater as well as costs and reasonable attorney fees.

Last year more than 450,000 automobiles with rolled back odometers were fraudulently passed off

on American consumers at a cost of more than one billion dollars.

More than twenty individuals are presently under investigation in the State of Hawaii for participating in odometer rollback scams.

Hawaii investigators are discovering a large number of vehicles with rolled back odometers that are being registered under bogus names and addresses. Typically the vehicles are advertised for sale in the print media. The classified advertisements are paid for in cash and placed using bogus names and addresses. A pager number or cellular telephone number is used in the advertisement. When prospective buyers respond to the advertisement they reach voice mail and are called back. The fraudster will typically offer to meet at a neutral site to view the car. Common suggested meeting places by fraudsters include the Honolulu Zoo parking lot and the parking lots at Ala Moana Center.

Government employees who register motor vehicles can help prevent rollback scams by requiring and copying (front and back) picture identifications of individuals presenting title certificates for transfer and registration.

Print media advertisers that sell classified advertisements offering motor vehicles for sale can help prevent odometer rollback scams by requiring and copying picture identifications (front and back) from individuals who pay cash for classified advertising.

Consumers need to be wary of deals that are too good to be true. A pager number or a cell phone number in a newspaper is virtually no protection from an odometer scam. After the fraudster has your cash, the pager or cell phone will be disconnected and victims will be left trying to pick out the photograph of the fraudster in a mug book. Avoid making cash purchases of motor vehicles whenever possible. If a seller will not accept a cashier's check drawn on a local bank, walk away from the transaction. If a seller cannot produce a valid picture identification card confirming that he is the owner and seller of the vehicle, walk away from the transaction. Fraudsters will typically say that they are selling the car for their aunty or uncle or brother/sister who is on the Mainland. And, if a seller decides to drop the price precipitously to encourage you to ignore the advice given here, run for the exit.

If you believe that you may have been the victim of an odometer rollback scam, you should contact your local police department or the Investigations Division of the Department of the Attorney General at (808) 586-1240.

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