

White Goods Insurance Policy Scam

The Trading Standards Service warns Hampshire residents about receiving an unsolicited telephone call from someone offering to sell them an insurance policy for their white goods.

The caller may say that a current insurance or warranty cover has expired and that this must be extended, or they will try to sell a new policy. They will want to take payment for the policy immediately which may be anything from approximately £28 upwards. Although paperwork with details of the cover will be sent, invariably the policy will not exist or it may be unnecessary or not needed.

Case Study

Mrs K, who was recently widowed, received a call from a trader offering insurance cover on her washing machine. She said the call caught her off guard and worried her because she was used to her late husband dealing with the financial paperwork. Therefore, she agreed to pay £32 to extend an insurance policy for a year. Shortly afterwards, she received a copy of the policy but also received further calls from different traders offering further policies on white and electrical goods. This resulted in Mrs K spending over £300 on policies that were worthless and in some cases for goods she did not own. Mrs K received such a call when her carer was present who recognised this as a scam. With her help, Mrs K managed to cancel some of the policies and obtain refunds. However, many of the traders were not contactable by telephone or letters were returned as 'addressee has gone away'. Mrs K was given advice on dealing with unsolicited telephone calls and was advised to purchase a telephone whereby she could screen her calls.