

Message sent by

Action Fraud (Action Fraud, Administrator, National)

The National Fraud Intelligence Bureau (NFIB) is warning people of the dangers of Recovery Room fraudsters targeting former victims of Timeshare fraud.

Recovery Room Fraud refers to a scam whereby fraudsters contact the victims of previous frauds, often by way of cold calling them, and claim to be able to recover previously lost funds. In July 2014 the Financial Services Authority (FSA) estimated that 30% of people who had lost money through Investment fraud would also fall victim to a Recovery Room fraud.

When Recovery Room fraudsters target victims of timeshare frauds they usually claim to be a legal professional or a representative of a government agency (normally within the country where the original timeshare property was based) in order to legitimise the scam. The fraudsters know personal details about the victim and their previous investment which gives them credibility. They claim that the advanced fees requested are for 'local taxes' or 'litigation costs' incurred during the recovery of the funds. It is suspected that the persons behind Recovery Room frauds are often the same people involved in the original scams even though these crimes may have occurred years earlier.

Initially, a small fee, typically in the region of £200-400, is requested by the fraudsters which they often claim is refundable as part of a 'no-win no-fee' basis. The fraudsters rely on the victims seeing this as a nominal fee compared to the amounts lost, which often run into the tens-of-thousands of pounds, and therefore worth paying if it facilitates the return of their money. Once paid, various excuses are made by the fraudsters to explain delays in the recovery of the funds. Subsequently, further larger amounts are then requested by the fraudsters. Needless to say, no refunds ever materialise and no money is ever recovered.

Protect Yourself

- Never respond to unsolicited phone calls – if in doubt, hang up.
- Always check that the details of the organisation or company contacting you (such as website, address and phone number) are correct – the fraudsters may be masquerading as a legitimate organisation.
- Don't be fooled by a professional looking website as nowadays the cost of creating a professional website is easily affordable.
- Be wary of any firms or individuals asking for advanced fees.
- Consider seeking independent legal and/or financial advice before making a decision.

If you believe that you have been a victim of fraud you can report it online: http://www.actionfraud.police.uk/report_fraud or by telephone: 0300 123 2040