

# KEY FACTS & ADVICE

## THE BEST WAYS TO SPOT AND STOP TIMESHARE EXIT SCAMS

Online information on timeshare exits (and claims) is often confusing and timeshare owners are frequently coerced and intimidated into entering into contracts with businesses who sell their services aggressively, misinform and use scare tactics. The following information is produced to enable owners to deal effectively with such practices, many of which are unlawful.

*If any person or business you are in conversation with argues any of the points below, it is strongly recommended that you do not proceed at that point, but instead ask them to put their own position and arguments in writing to you so you can check with UK Citizens Advice, the European Consumer Centre Network or an independent solicitor. KwikChex will always also be happy to respond to any such information.*

### 1. Ask if you can pay by credit card – because many rogue businesses won't let you

Rogue businesses often do not have a means of processing credit cards themselves. And – if it is a UK credit card, even if they do have a means of processing a payment, they know that consumers can submit very effective claims for refunds in the event of misrepresentation and/or breach of contract under the UK Consumer Credit Act. Additionally, check that the name of the business you are paying exactly matches the name of the business on the contract – including the details of the entity (Limited/ Ltd, LLC, SL etc) as not paying the exact same business as on the contract may mean you lose the UK consumer credit card protection.

### 2. Don't be intimidated by the "Your children will be forced to pay your annual timeshare fees after you die" line

This is probably the most frequently used lie by rogue businesses. Your children cannot be forced to inherit your timeshare. In many cases, if they want to, they can take it over willingly by having it specifically written into a will, but that is entirely a choice for owners and their heirs. Anybody telling you different should be dismissed as dishonest immediately – and preferably be reported to the authorities.

### 3. Look out for contract restrictions that state you cannot contact and discuss your timeshare with others, including your timeshare company/resort

Many owners after entering into contracts with exit/claims companies, and often paying substantial upfront fees, are told that it will be a breach of contract if they check on what is happening with others. Frequently, when they do seek alternative advice, they discover they could have exited at a lower cost or no cost – or that the business they paid to assist them with relinquishment has done little or nothing on their behalf. Such 'clauses' are often put into contracts to try and prevent such discoveries. Terms that are to the extreme detriment of consumers are unlawful in themselves. Read contracts carefully and be extremely cautious if such clauses have been inserted.

### 4. Free and lower cost exit options may be available directly from your timeshare company/resort

Scammers will tell you that they are the only possible timeshare exit solution, but many timeshare companies allow free or lower cost exits. This is particularly so when owners may be experiencing difficulties that may make it hard for them to use their timeshares, including partner bereavement, ill-health and financial problems; so always check directly first.

## **5. There is no 'central timeshare owner database' – just unlawful and worrying data abuse by rogues**

Many timeshare owners are cold-called or sent unsolicited messages by text or email. If you haven't specifically given such businesses permission to contact you, they are already acting unlawfully. They will often say when asked how they got your details that they obtained them from a 'central registry' - that's a lie and is unlawful in itself. To protect yourself from scams and to help safeguard your personal data (the rogues contacting you can and do sell your details on to other rogues), it is recommended that you report such abuses to your national data protection agency.

## **6. Making a 'compensation claim' requires that there is a basis in law/that applicable regulations apply – and viability should always be fully established before you enter into a compensation contract**

There are well-established laws and regulations that protect consumers with regard to timeshares. Timeshares must be sold, and contracts written in compliance with these. Within the EU, these are mostly the specific EU Timeshare Regulations and also Consumer Protection Regulations (CPRs), including Unfair Contracts laws. There are also other aspects, covering loans to purchase timeshares and there may be applicable single state laws that apply, such as the Spanish law 42/98. It is essential that owners approached by any claims businesses establish their credentials – and ask for a written full viability report, detailing the specific basis of any action, the processes involved, the likelihood of success, the time it is likely to take, a full description of costs and disclosure of any risks involved. Do not be dissuaded from asking for such written information in advance of entering into a contract by a business telling you they are regulated or have a great track record – you have a right to such disclosures before you make a decision. Once you have your viability report, it is recommended you seek a further opinion on it.

**7. Far too many businesses (and those owning and working for them), offering timeshare exit and claims services have a past record or have been connected to scams. For your protection, in addition to thorough online searches, ask anyone contacting you to confirm in writing whether they have been so involved or associated. In particular, ask this question regarding some of the most notable, including:**

### **Club Class and associated businesses, including ITRA**

**Monster Travel and associated companies, including SellMyTimehare.tv**, which are the subject of ongoing police investigations. (Note later businesses started by the same people include **ABC Lawyers, Timeshare.Lawyer and Jive Hippo**).

**EZE Group** – closed down after a successful criminal prosecution, with the two principal executives receiving prison sentences.

**RSB Legal** – Closed down after numerous complaints made by consumers. The liquidator has so far reported that 90 creditors (the majority RSB clients) have filed claims totalling nearly £1 million – and that the directors did not maintain accurate accounts in these matters.

### **TIMESHAREEXITCONCERNS.CO.UK**

Timeshare Exit Concerns is supported by KwikChex, an award-winning investigation, verification and resolutions services business.

Email: [info@timeshareexitconcerns.co.uk](mailto:info@timeshareexitconcerns.co.uk)

KwikChex Ltd, Exchange House, 12-14 The Crescent, Taunton, Somerset, TA1 4EB.

Registered in England no 07376192. Registered with Data Protection Act, Registration Number: Z2749323