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Timeshare Owners, A Call to Action

Last week the RDO Chairman sent the following letter out to all Developer members of our organisation and I have set it out below in full, as I believe it is something that should be made available to all those involved in our industry :

TIMESHARE OWNERS, A CALL TO ACTION

For over 4 years now, the Resort Development Organisation - the RDO, has funded a team of professionals in the Canary Islands, headed by a former Spanish National Police Inspector, whose task it has been to investigate consumer complaints about fraudulent companies who have swindled innocent timeshare owners out of their money, their timeshare or often both.

Dealing with complaints from as far afield as Scandinavia, Germany, the UK and Spain itself, the Enforcement Team works with police forces across Europe and with consumer organisations EU wide, such as the European Consumer Centres, the OFT and Citizens Advice in the UK. Their principle task is to collect evidence of the activities of fraudulent resale companies, bogus law firms, so-called class action groups, and dishonest discount holiday clubs. Once painstakingly collected, the file of evidence is presented to the relevant police authority with a view to closing the operation down and if possible securing a prosecution against the offenders. Without the work of this team the relevant authorities would not have the manpower or resources to go after these criminals.

Over these past 4 years, Enforcement has dealt with 1484 actual complaints, brought about the closure of 82 fraudulent companies and helped consumers to recover an estimated one million Euros from these fraudsters. That last figure represents about 20% of the estimated losses suffered by innocent consumers, mainly bona fide timeshare owners. UK authorities put the losses per year at even higher than this. The work carried out by the Enforcement team is time consuming, often undertaken in difficult circumstances and is frequently downright dangerous.

Having funded this project totally for these past 4 years, RDO has concluded that it cannot continue to do this indefinitely as the work of Enforcement does not benefit its own developer members, all of whom are bound by the RDO Code of Conduct, but rather the timeshare owner, who is preyed upon by these fraudsters whom RDO does not regard as part of the timeshare industry at all.

The RDO has therefore decided to pass responsibility for the funding for Enforcement across to the Timeshare Partnership Trust (TPT) and to ask owners to help fund this project, which is ultimately for the protection of all timeshare owners in Europe. The TPT was set up in 2008 to provide grants and other financial support to worthy timeshare causes throughout the UK and Europe.

Coupled with this is the funding of the Consumer Helpline run by TATOC the timeshare owners association. This has been funded by the Trust for the past 3 years now, ever since TATOC took over responsibility for it and it is designed to help people with advice on timeshare and to deal with complaints about fraud.

Last year, the Helpline, which is manned by 2 trained staff members, dealt with some 6700 calls and 1195 emails and looks set to exceed that figure in 2010. A high percentage of those calls that turn into genuine complaints are fed through to the Enforcement Team to follow up to try to reclaim the money lost.

So why should timeshare owners contribute? RDO and your Developer are asking that each owner in Europe contributes 1 euro through whatever means is agreed with your Owners Committee and/or Developer which will be passed through to the TPT. The TPT will then administer the payment out of these funds to these 2 causes and report back annually to owners on progress made.

We do understand that a large number of you will be asking why you should contribute as you are perfectly happy with your timeshare and your holiday arrangements. We understand that and fully appreciate this. What we are asking your help with, is to support the Enforcement Team in their work to stop these fraudsters before they target your resort and you and your fellow owners and we believe that spending 1 euro a year on that to help us do this is worthwhile.

Thank you.

Yours faithfully,

*Richard McIntosh
Chairman, RDO*