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**LARGE TIMESHARE EXIT COMPANIES OPPOSE LEGISLATION THAT PROTECTS CONSUMERS**

***Powerful Lobbyists in Florida Have Been Hired to Defeat FL HB 435/SB 1430***

WASHINGTON, March 11, 2019 – The American Resort Development Association-Resort Owners Coalition (ARDA-ROC), representing more than 1.5 million timeshare owners, strongly supports (FL HB 435/SB 1430), a bill that provides consumers with many of the same protections they are afforded when they originally purchased their timeshare.

Wesley Financial Group, Reedhein & Associates, which does business as Timeshare Exit Team, and at least two other companies, operating in the timeshare exit space, have hired powerful lobbyists to fight the bill and the common sense regulations it provides. “These exit companies are strongly against this bill because it eliminates their ability to take upfront fees, in many cases in excess of \$5,000, until the service they promise is delivered,” said ARDA-ROC Chairman Ken McKelvey. “Currently these firms use much of this money to market to new customers and not for services.”

**HB 435/SB 1430** provides the following common sense protections for timeshare owners engaging with third party exit companies:

- Defines what constitutes timeshare exit assistance or relief services, and clearly identifies and prohibits timeshare exit industry practices that are harmful to consumers.
- Requires written agreements prior to performing the promised exit services, the delivery of important information to the consumer prior to entering into any agreement, and provides consumers with a meaningful cancellation right.

- Protects consumer funds by prohibiting advance payment or requiring escrow of such funds until promised services are completed.
- Prohibits false and misleading representations used to recruit consumers to engage an exit company.

The timeshare industry, with more than \$9.6 billion in annual sales and over nine million owners strong, has become a target for unscrupulous individuals and companies. Many third-party exit companies present owners with misleading information, often using scare tactics, in order to get unsuspecting owners to sign up for services that require large upfront fees. “We need to protect our owners from becoming victims. Owners are being scammed and told information that is not true by third-party entities. As a result the industry is moving to communicate better with owners who want to understand what options are available for exiting their product” continued McKelvey. This information can be found at [www.ResponsibleExit.com](http://www.ResponsibleExit.com).

States are cracking down on these deceptive practices. “A top priority for our industry and owners, and for law enforcement and other agencies, is to protect consumers from dishonest individuals or companies trying to take advantage of them,” continued McKelvey. “This legislation will help accomplish that priority”

Most recently, the Supreme Court of Tennessee disbarred attorney Judson Wheeler Phillips, founder of the Castle Law Group, on a myriad of charges relating to consumer fraud complaints. “The constant pressure that our member companies, owners and federal and state agencies are putting on disreputable timeshare exit companies has again produced a positive result for the consumer,” said Robert Clements, Vice President of Regulatory Affairs and General Counsel for ARDA.

“Seeing significant actions against these companies sends a very clear message to others trying to take advantage of timeshare owners: You won’t get away with it.” Clements continued.

Here are a few red flags of exit and resale scams that owners should keep top of mind:

- Someone contacts an owner and says that they have an “interested buyer” for the timeshare.
- Someone calls claiming to be a representative of ARDA or ARDA-ROC. Owners are contacted by ARDA and ARDA-ROC only when requested.
- A company promises to modify, cancel, or transfer an owner’s timeshare for a large upfront fee.
- An exit company requests an upfront fee, or the wire transfer of money for a “service,” “tax,” or other “requirement” for the sale or transfer to be completed.
- If an offer sounds too good to be true, it likely is.

Until stronger regulatory provisions are enacted into law to prevent this practice, owners who believe they have been unfairly taken advantage of or defrauded by a timeshare exit company should contact their state Attorney General, local law enforcement or the ARDA-ROC Consumer Support Team at 1-855-939-1515.

For more information on options for exiting timeshare, visit [www.ResponsibleExit.com](http://www.ResponsibleExit.com).

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The ARDA-Resort Owners’ Coalition (ARDA-ROC) is a non-profit entity funded by over 1.5 million individual timeshare owner’s voluntary contributions, and is dedicated to preserving, protecting, and enhancing vacation ownership. ARDA-ROC is an alliance of owners, developers, and managers who are committed to advocating for local, state, and federal policies that enable the vacation ownership industry to thrive. For more information, visit [www.ardaroc.org](http://www.ardaroc.org).