

Recovery room scams

Scammers are always on the lookout for new ways to take people's money, and we are seeing more scams about recovery rooms or follow-up fraud.



How it works

Recovery room scammers target people who have already been the victim of a scam, whether their own scam or another fraudster's scam. They contact victims and pretend they can help them – for a fee – get back the money they lost in online investment and trading scams, such as binary options trading schemes, foreign exchange investments and crypto-currency investments. They seldom explain how they will recover the money, and if they do, the explanation is false or implausible. They always ask for their fee upfront, often by credit card, and the amounts they end up debiting to a customer's card can be very significant. Sometimes the fee is payable in crypto-currency.

Recovery room scammers often have customers' details because they've scammed them previously. Sometimes, however, other scammers share these details with them. And sometimes, there are links to the recovery room scammers' websites on sites visited by scam victims while trying to get their money back. They may contact customers posing as a representative from a regulator, a government agency working to recover lost funds or the police. Having details about the customers, including the amounts they've lost, gives them extra credibility. It also works to their advantage that victims are invariably desperate to get back their money.

The recovery room's methods can include getting customers to make a chargeback request to their bank, asking the bank to reverse their credit card transactions made to the fraudsters. The bank is unlikely to know the customer has lost money, because scam victims are often too embarrassed to report it.

Recovery room scammers sometimes give customers template wording to use when making a chargeback request. The wording can be long-winded and confusing and can quote irrelevant overseas laws (because scammers often don't understand chargeback rules, including banks' responsibilities when processing and disputing transactions).

The chargeback requests are almost always unsuccessful and the customer is further out of pocket. However, it costs nothing to approach the bank directly and ask it to seek a chargeback on your behalf.

Once the scam victim pays upfront fees to the recovery room fraudster, he or she won't get any money back from the previous scam and won't hear from the recovery room again. Getting any money back from either scam can be very difficult.

Sadly, some people continue to fall victim to repeated recovery room scams about the same fraud.

The Banking Ombudsman Scheme offers a free independent service

We provide a free dispute resolution service to customers who have a complaint about their bank. You don't have to pay a claims management company or any other third party to claim a refund, or to lodge a complaint with us or with your bank. You can lodge your complaint with us directly and for free.

What should I do if I've been scammed?

If you've been a victim of a scam, be very careful about paying someone to help you get your money back. The person may not be genuine, and you may well be at risk of further loss. Instead, talk for free to your bank, the police or us

See also our Quick Guide: [Common scams targeting bank customers](#).