

Misleading timeshare vacation offers

The Hungarian Competition Authority (HCA) has issued a resolution in which it is stated that SWF HOLDER Kft. has been misleading customers with its timeshare vacation offers since May 2014.

SWF Holder Kft. proposed to facilitate the resale of existing timeshares, however, no effective steps were taken to accomplish resale other than pretending to do so.

HCA established that the primary goal of SWF Holder Kft. was to sell new timeshares, therefore it was untrue to claim that the company intends to facilitate secondary market transactions. The company also failed to disclose to customers that the precondition to resale is to buy a new timeshare. When flogging the new timeshares, the company made untrue statements on that resale of the timeshares will be smooth and speedy, and on potential offsetting possibilities.

HCA imposed a fine of HUF 10,094,000 on the company taking into account the aggravating circumstances, including the fact that the company's focus group was mostly elderly people.