

# Investors warned about approaches to recover lost funds

News story

Investors warned of unsolicited approaches by people falsely claiming they can recover lost investments and are acting on behalf of the Insolvency Service.



The Insolvency Service is aware that scammers have been contacting investors dishonestly claiming to be working on behalf of the Official Receiver or the Insolvency Service, with the false promise of recovering lost funds for an up-front fee.

These approaches are always fraudulent. They are known as recovery room schemes, where someone impersonates a legitimate UK corporate entity and claim that they are representing the Insolvency Service/Official Receiver.

To legitimise their contact, recovery room scammers will send fake letters with the Insolvency Service logo, say they are calling on behalf of the Insolvency Service, impersonate a legitimate employee of the Insolvency Service, and also refer investors to social media accounts of Insolvency Service employees.

Another tactic scammers use is called 'spoofing' where the caller ID and telephone number seen by an investor is not the scammer's details but are legitimate phone numbers used by Insolvency Service or other organisations.

Official Receivers or any agent legitimately instructed to act on their behalf will never ask you to pay an up-front fee to get some or all of your investment back.

The Official Receiver can only make a return to you as a creditor in failed schemes if assets are realised in the liquidation of the company you bought your investment from. If there is a distribution to be made, the Official Receiver will write to creditors letting them know and inviting them to submit a proof of debt.

Paying an up-front fee will not make you a priority creditor – you won't get paid faster or increase the chance of you getting any money back. If you are asked to pay an up-front fee to get your money back by an organisation purporting to be the Insolvency Service or acting on behalf of the Insolvency Service, someone is more than likely attempting to scam you.

1. The Insolvency Service will always look to co-operate with other government agencies and prosecuting authorities when we're made aware of recovery room scammers. You should [report to us](#) all fraudulent contact from individuals stating they can get your lost investments back for a fee. You can also report these approaches to [Action Fraud](#).
2. Where we become aware of recovery room schemes, we will look to warn investors. [The Financial Conduct Authority also publishes a list of known fraudulent claims management companies](#), you can check online if a warning has been posted about the company that approaches you. Just because the company that has contacted you is not on this list does not mean that they are not attempting to scam you.
3. You can avoid many unsolicited telephone calls by registering your phone number with the [Telephone Preference Service \(TPS\)](#). The TPS is the official central opt-out register for people who do not want to receive unsolicited sales and marketing calls and is a free service.

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