BEWARE OF CRUISES WITH INCRUISES - CONSUMER WARNING

* **Dreaming of a trip to the Caribbean and have been tempted by the INCRUISES Cruise Membership programme?**
* **Beware, InCruises International is likely to be managing money collected from consumers in a prohibited syndication scheme.**
* **The President of UOKiK, Tomasz Chróstny, warns - there is a reasonable suspicion that some consumers may suffer severe financial losses.**

**[Warsaw, 20 July 2022]** Puerto Rico-based InCruises International LLC is offering consumers from around the world to participate in the [INCRUISES Cruise Membership program](https://www.incruises.com/). Its participants pay a monthly subscription fee - USD 100 - which is exchanged for internal points called Cruise Dollars (CD), with USD 1 being 2 CDs. Cruise Dollars can be used to pay for boat trips, except that a maximum of 60 per cent of accumulated points can be used in the first year and the rest must be paid for with real money. The pool to be used for cruises is gradually increasing, so that in the fifth year of participation, i.e. after a contribution of at least USD 4900, 100 per cent of the CDs held can already be spent on a sea expedition. In addition, the company recruits so-called partners, who are paid to persuade others to join the program.

The President of UOKiK, Tomasz Chróstny, has charged the company with violating the collective interests of consumers. He has also issued a Consumer Alert on this matter.

– *We have a suspicion that InCruises International operates in a consortium system, also known as Argentinian system*. *It is prohibited by law and is regarded as an unfair practice. In the past, these activities have ended up with severe losses for consumers. In this case, the scheme may consist of managing the money collected from program participants to finance cruises. It is important to remember that the benefits for participants in consortium systems are financed by the contributions of others, and usually after a certain time the money starts to run out and the system collapses* - says Tomasz Chróstny, President of the Office of Competition and Consumer Protection.

For example, a cruise – purchased by InCruises from regular cruise lines - costs USD 2,000. A consumer who has been participating in the program for 13 months has paid USD 1,300, which means that he has collected 2,600 Cruise Dollars. In the second year of participation, he can use 70 per cent of this amount, or 1,820 CDs. The rest - USD 180 missing from the cruise price - must be paid in US currency. In total, the trip costs USD 1,480. **The difference is covered by InCruises, whose revenue comes overwhelmingly from members’ contributions. Thus, if all participants in the program had decided to book at the same time, the accumulated funds would not have allowed the booking of the cruises.**

A constant flow of new money is essential for the program to function. Our findings show that most people participate passively - by paying fees - rather than actively - by going on cruises. On top of this, withdrawal from the program means financial losses. According to the contract with InCruises International, a consumer who cancels his or her membership has no chance of recovering the money paid - the Cruise Dollars accumulated in his or her account are forfeited. If, on the other hand, someone stops contributing, their membership is suspended. He has one year to unlock it - but he must make up all outstanding payments and return to regular subscription payments. If he fails to do so, he loses all the Cruise Dollars he has collected.

**Consumer alert**

*- Following the allegation against InCruises International that it was operating in a syndicated scheme, I considered that there was a high risk that consumers participating in this program could lose the money they had paid in. That is why I issued a consumer alert* - says Tomasz Chróstny, President of the UOKiK.

Moreover, pursuant to the Act on competition and consumer protection, the President of the OCCP may issue an alert when he concludes that an undertaking applies illegal practices which may put a substantial group of consumers at the risk of significant financial losses or adverse consequences. The alerts are published [on the UOKiK website](https://uokik.gov.pl/ostrzezenia_konsumenckie.php).

[The consumer alert](https://uokik.gov.pl/ostrzezenia_konsumenckie.php?news_id=18714) referred to in the press release concerns **InCruises International LLC with its registered office in Guaynabo (Puerto Rico)**.

**Consumer support:**

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[Consumer Ombudsmen](https://uokik.gov.pl/pomoc.php) – in your town or district