



HAS A COMPANY PHONED YOU WITHOUT ANY PRIOR REQUEST ON YOUR PART? IS IT OFFERING YOU AN INVESTMENT NOT TO BE MISSED? BEWARE OF BOILER ROOMS!

The FSMA continues to receive complaints from consumers who invested money with "boiler rooms". It once again warns the public against this type of fraud. The products and services offered by fraudsters are growing ever more diverse, and it is company directors and managers who are the main target group of these boiler rooms.

"Boiler room" fraud is a type of fraud that generally involves contacting consumers unsolicited, often by telephone, offering to sell those shares or other financial products. Recently, the services offered have tended to grow ever more diverse. Thus, the offerings now also include: management accounts, term deposit accounts, investment advice, investments in crowdfunding, etc.

Although boiler rooms claim to be authorized service providers with a professional website and forms to fill out, they are in reality fraudsters who offer fictitious or worthless products or services.

As a rule, the consumer is enticed to make an initial, limited investment that very soon appears to be profitable. After that, the consumer is asked to make more and more additional investments. But when a consumer asks for his or her money back, this proves to be impossible without making additional payments and/or the new investments begin to lose money.

The fraudsters put consumers under severe pressure (hence the term "boiler room"), insisting that they keep making further payments. **In the end, the consumer will never get the invested money back.**

In the past few weeks, the FSMA has noticed that the following companies have been approaching the Belgian public with proposals typical of boiler room fraud:

- [Akamai Group](http://www.akanagi-group.com) (www.akanagi-group.com)
- [Ashton Whitely](http://www.ashtonwhiteley.com) (www.ashtonwhiteley.com)
- [ATB Holdings](http://www.atbholdings.com) (www.atbholdings.com)
- [Fairway Capital Investments](http://www.fairwaycapitalinvestments.com) (www.fairwaycapitalinvestments.com)
- [Nagaharu Global](http://www.nagaharu.com) (www.nagaharu.com)
- [Novature Group](http://www.novaturegroup.com) (www.novaturegroup.com)
- [Onex Busan Financial](http://www.oballiance.com) (www.oballiance.com)
- [Pacific Chiba Trust](http://www.pctmanagement.com) (www.pctmanagement.com)



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The FSMA **strongly advises against responding to offers of financial services** by these companies, which are not authorized to provide investment services within Belgium.

In order to prevent investors from falling victim to this type of investment fraud, the FSMA reiterates its **general recommendations**:

- **Always verify the identity of the company** (company name, registered office, *etc.*) **offering you financial services**. If the company cannot be clearly identified, it should not be trusted. If the company is located outside the European Union, the investor will also have to be aware of the difficulty of legal recourse in the event of a potential dispute;
- **Check whether the company holds an authorization** by consulting the lists published on the FSMA website – [Check your provider](#).
- **Consult the warnings** published on the FSMA website as well as on the sites of foreign supervisory authorities and of [IOSCO](#). Check if the company offering you a financial service has been named in a warning. Search not only for the name of the company(ies) in question but also for the companies to which you are being asked to transfer money.

On the FSMA website, this search can be conducted via the [search engine](#). In addition, all the boiler rooms about which the FSMA has published a warning are included on the [List of companies operating unlawfully in Belgium](#) published on the FSMA website.

Please note: the fact that the company you are looking for has not been the subject of a warning does not mean that that company is authorized to offer you financial services. The FSMA does all it can to publish warnings quickly: however, it is possible that a company operating unlawfully within Belgium may not yet have come to its attention. Moreover, unauthorized companies regularly change their name.

- **Be wary** of unsolicited phone calls/emails (**cold calling**), i.e. where no prior request has been made by the investor. Such calls are often indications of an attempt at fraud.
- **Be wary of requests to transfer money to a country without any connection** to the company or the State of which the investor is resident. Please note that in the case of boiler room fraud, requests to transfer money are made most often toward **accounts opened with banks based in Asia**.
- **Be wary of (promises of) completely disproportionate returns**. Fraudsters frequently present significant earnings at the beginning, until the day when the investor asks to withdraw the funds invested.



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- **Do not accept uncritically the information provided by such companies.** It is not uncommon for a company to claim to be authorized to offer financial services although this is not the case. Be sure always to verify the information you are given.
- **Be wary as well of "cloned firms".** These are companies that pass themselves off as different, lawful companies even though they in fact have no connection with the latter. A close look at the email addresses or contact details for the companies in question may prove useful in order to detect potential fraud of this sort.
- **Insist that your intermediary provide clear and comprehensible information.** Never invest if you do not understand precisely what is being offered.
- **Be all the more suspicious** if the firm makes the pay-out of returns conditional on **an additional payment** and/or the payment of a tax. These additional demands are often the sign of fraud.
- **Company directors and managers** should be extremely vigilant. Many boiler rooms target that group in particular.

If you have the least doubt about whether financial services being offered to you are lawful, please don't hesitate to contact the FSMA directly via the [consumer contact form](#). As well, feel free to notify us of any suspicious company that has not yet been the subject of a warning by the FSMA.

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