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01 June 2018

AMF warns the public about aggressive "boiler room" direct marketing

The AMF is warning the public about this fraudulent practice that encourages investors to purchase financial products on the basis of sales pitches incommensurate with the real value of the assets in question and with the promise of extremely high price increases. The AMF is calling on retail investors to exercise the greatest vigilance

Boiler room marketing is a practice whereby an unauthorised entity presents itself as a brokerage firm or an asset management company and contacts investors, unprompted and often by telephone, to showcase the potential of an asset in which they hold an interest. Employing aggressive sales tactics and promising high yields, the aim is to encourage individuals to invest in the asset in question and thus enable the manipulators to sell their securities at a high price.

This type of fraud, in existence for a number of years, may concern listed companies in a number of European markets and may target retail investors across Europe.

The AMF has received several reports indicating that suspicious purchase recommendations are currently being made for shares listed on Euronext Access, notably including:

- Arthur Maury ;
- Design your Home ;

- Gentlemen's Equity ;
- Orclass ;
- Sumo Resources Plc.

The AMF has information indicating that these purchase recommendations could be based on information that is false or misleading and/or possibly conceals existing conflicts of interest. Some of these actions could constitute offences of a criminal nature.

The AMF is calling on investors to exercise the greatest vigilance by:

- checking that the financial intermediary proposing or advising financial investments is registered and/or authorised to carry out its business in the jurisdiction in which it claims to do so;
- not responding to the sales communications of unregistered or unauthorised entities and not passing on their information to third parties;
- filing a complaint with the competent court and providing the competent legal authorities with as much information as possible (money transfer references, identified contacts, postal and email addresses, Skype, etc.);
- applying the cautionary rules described above and keeping proof of their contacts with the entity (telephone conversation recordings, screen captures, etc.) if they do decide to invest.

Lastly, the AMF reminds investors to follow these safety guidelines before making any investment:

- no advertising materials should make you overlook the fact that high returns always involve high risk;
- learn as much as you can about the company or intermediary trying to sell you a product (authorisation/certification, company history, location of head offices, etc.);
- only invest in a product you understand;
- ask yourself how, and by whom, the purchase price or selling price of the advertised product is set, and find out the precise terms and timeline for selling the product, especially in cases where the product invests in an asset class with low liquidity.

About the AMF

The AMF is an independent public authority responsible for ensuring that savings invested in financial products are protected, that investors are provided with adequate information and supervising the orderly operation of markets. Visit our website www.amf-france.org.

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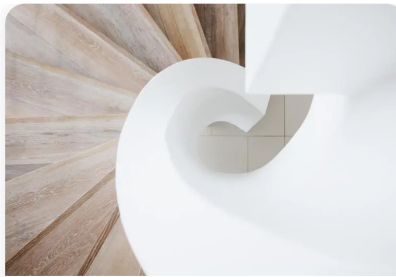


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