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23 July 2020

The AMF announces the referral of two investigation files on "boiler room marketing" to the National Financial **Prosecutor's Office**

In recent years, the Autorité des Marchés Financiers has warned the public about this type of fraud in which investors are pressured to move quickly and seize investment opportunities, using sales pitches that are unrelated to the real value of the listed companies in question. It calls on investors to remain vigilant.

The boiler room technique is a practice in which a person claiming to be from a pseudo brokerage or asset management company contacts investors (often by telephone) and entices them by presenting the prospect of a share's tremendous upside potential which they must seize quickly. The purchases generated in this way drive up the share price and serve the pitch of the entity as it seeks further purchases, thereby maintaining buying pressure on the share. Aside from the fact that this entity is neither registered nor authorised to propose shares for sale, it is choosing not to inform investors that it holds what are often large quantities of the shares in question, or that it is acting on behalf of a client who wants to sell much of them. Through aggressive sales tactics and promises of high returns, its objective is to encourage retail investors to buy this asset and push the stock market price up so that it can then sell the large number of shares it holds on better financial terms. As soon as this sales activity comes to a halt, the price of the security suddenly falls.

In June 2018 and September 2019, the AMF indicated that it had evidence suggesting that purchase recommendations of this type were being made pertaining to shares listed on Euronext Access. As some of these activities were likely to constitute criminal offences (scams and money laundering, among others) the regulator has just referred two investigation files to the National Financial Prosecutor's Office concerning the shares of Orclass and Arthur Maury.

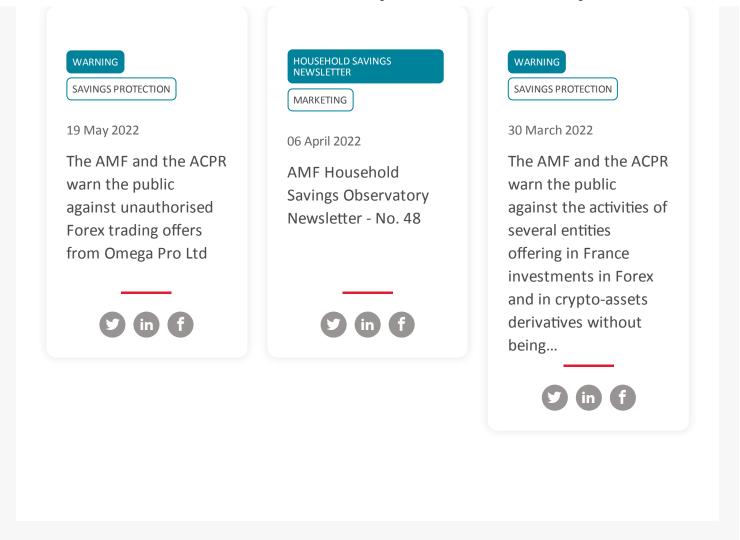
Regarding savings, the AMF reminds retail investors that no sales pitch should ever make them forget that there is no such thing as a high yield without high risk. It is important to check that any financial intermediary proposing or advising investments is indeed registered or authorised in the jurisdiction in which the company claims to operate. As a significant increase has been observed in the number of private individuals investing on stock markets since the beginning of the health crisis, the AMF encourages such investors to be most vigilant as regards this type of fraud.

About the AMF

The AMF is an independent public authority responsible for ensuring that savings invested in financial products are protected and that investors are provided with adequate information. The AMF also supervises the orderly operations of markets. Visit our website https://www.amf-france.org URL = [https://www.amf-france.org/]

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