



FINANCIAL  
SERVICES  
AND  
MARKETS  
AUTHORITY

## UNAUTHORIZED INVESTMENT SERVICES: BOILER ROOMS

The Financial Services and Markets Authority (FSMA) warns the public against the activities of various "boiler rooms" that are contacting Belgian consumers. These are: Inter Global Equity, Herrington Global, Meta Capital Partners Ltd, Sigma Capital Advisors and Ridgewood Securities.

Boiler room fraud involves contacting consumers unasked, often by telephone, offering to sell them little-known shares or exotic financial products. Although the boiler room claims to be a recognized service provider with a professional website and forms to fill out, they are in reality swindlers who offer fictitious or worthless shares or products. As a rule, the consumer is enticed to make an initial, limited investment that soon appears to become profitable. After that, the consumer is asked to make more and more additional investments. But unlike with the first, limited investment, the new investments lose money, and when the consumer asks for his or her money back, it turns out this is impossible unless they make additional payments. The boiler room operators often do not hesitate to put the consumer under severe pressure (hence the term "boiler room").

*"At the end of last year, I was contacted by phone by company 'ABC', operating from (...) in order to get me to make an investment. Initially, I was sold shares in XX for a low price, which were subsequently exchanged with "profit" for shares in YY. Still later, these were exchanged for shares in ZZ. In order to complete certain transactions and have the money repaid, I had to buy shares in WW for 1/4 of the entire amount. After having gone through a lengthy process, it turned out that the entire construction was a fraud! One that cost me a lot of money...."*

The companies named above are not authorized investment firms or credit institutions in Belgium and may not under any circumstances offer investment services in or from Belgium. Since they operate from abroad, by telephone and/or the internet, it is difficult to prosecute them.

The FSMA thus strongly advises against responding to any offers of financial services made by these companies and against transferring money to any account number they might mention.

The warnings concerning [Inter Global Equity](#), [Herrington Global](#), [Meta Capital Partners Ltd](#), [Sigma Capital Advisors](#) and [Ridgewood Securities](#) are available on the FSMA website.



Press release / Unauthorized investment services: Boiler Rooms

Would you like to enquire more generally as to the regularity of a transaction being proposed? If so, please use the [search function](#) on the FSMA website. You can also contact the FSMA (tel.: +32 2 220 59 10; email address: [info@fsma.be](mailto:info@fsma.be)).

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