

## Boiler room

A lucrative investment. An opportunity not to be missed. Swindlers delude consumers with a fantastic deal that promises to earn them a lot of money. The purchase of shares or exotic financial products is said to be sufficient to earn exorbitant profits. In reality, the consumers receive fictitious shares or worthless financial products. The swindlers meanwhile run off with their money, leaving the investors penniless. That is boiler room fraud.

The fraudsters are often very shrewd. They present themselves as authorized service providers, and have a professional-looking website. They ensure that the first investment is always profitable. This way they gain consumers' confidence. As soon as the latter are prepared to invest higher amounts, things begin to go wrong. New investments incur losses. If a consumer asks for his or her money back, it appears not to be possible without making additional payments.

The swindlers do not hesitate to place consumers under heavy pressure to keep going along with their proposals. The name of this type of fraud refers to such practices: a boiler room is a place where vendors use aggressive tactics to try to get consumers to buy dubious products.

**Source URL:** <https://www.fsma.be/en/boiler-room>