



HELLENIC REPUBLIC
CAPITAL MARKET COMMISSION

Warning to investors against investment risks (internet fraud)

Athens, November 30, 2020

The Hellenic Capital Market Commission, within the framework of its powers to protect investors, draws investors' attention to cases of electronic investment fraud.

The increasing use of the internet, especially in the current period, has led to an increase in cases of investment fraud: non-authorized persons applying aggressive marketing techniques through telephone, e-mail or social media, present themselves as representatives of reputable companies and promise "safe investments", promoting trading in financial instruments through electronic platforms, mainly in foreign exchange (FOREX), precious metals, oil, contracts for differences (CFDs) and cryptocurrencies such as bitcoin.

Marketing of electronic platforms

With the use of modern technology, the abovementioned cases might become very complex. The suspects usually speak fluent Greek and appear to have knowledge of financial matters. They often direct unsuspecting investors to websites or use evidence that seems to be valid, but it is not easy to discover that it is not. They target mainly potential investors looking to make investments through the internet, search engines or social media. They market non-authorized online trading platforms, and promise high returns in order to attract investors, where the investment returns seem to be reasonable or (even) high, but in reality such investment may be related to an illegal activity. They often use pictures of luxury items or celebrities in order to attract potential investors.

Caution is required, because the advertisement may be linked to another website, where the potential investor is either invited to make an investment through a platform giving his/her personal data, or to open a special account managed by the company being advertised. It is noted that most victims report that the investment had significant returns at the beginning, making them believe that their investment was successful and being motivated to invest more funds or to recommend a friend or family member to invest. However, when they would ask for the profit earned from the investment, the company would excessively delay the deposit for various reasons and at the end deactivate their account, resulting in the loss of funds.

PROCEDURE YOU SHOULD ALWAYS FOLLOW IN SUCH CASES AND BEFORE ANY TRANSACTION

- Be especially cautious if the ads on the internet and on social media promise high returns.
- Always be careful if you are contacted by phone when the phone number is not known to you or if you are contacted from abroad, and they insist that you invest immediately. For example, we have information that, recently, calls to potential investors from a country with a dialing code that begins with +44 have increased.
- **DO NOT INVEST IMMEDIATELY**, as requested, before first checking information on the company, as indicated below:
- Always collect the following information either from the person who has contacted you or from the website recommended to invest or trade:
 - Which is the company that has contacted you or is being advertised? Which company manages the platform recommended?
 - Where are the headquarters of the company?
 - Is the company authorised? If you are told that it is authorised or if this information is in the advertisement or in the website of the company, read carefully which competent authority has granted the authorisation.
- Before giving your data or making an investment decision, always do your own research on the product and the company, make sure that you have collected the abovementioned basic information and verify that the company has been authorised by a legitimate competent authority.
- Before giving your data or making an investment decision, check whether the company is authorised by the [Hellenic Capital Market Commission](#) or by the [Bank of Greece](#) or whether it has a passport to provide investment services in Greece according to applicable capital market or banking legislation.
- Please consult the website of the HCMC in order to collect information on [warnings issued by the HCMC](#) with regard to internet frauds.
- Visit the websites of the foreign competent authority (either in the [European Union](#) or in a [third country](#)) which according to your information has authorized the company, in order to a) confirm that it is authorized, and b) to collect information about internet fraud warnings issued and published by this authority.
- Before investing, you might consider consulting an independent certified financial advisor.
- Do not pay any amount in advance, before performing abovementioned checks.
- **NEVER** forget that a high profit means high risk, and this high risk might result to a loss of part or all invested funds.