

The CNMV warns of new IT strategies of *financial boiler rooms*

19 November 2020

- Do not share with third parties the password to access your bank and securities accounts
- Do not allow remote access to your IT equipment
- Do not log in to transact with your bank and securities accounts with a third party connected
- Do not use VPN services to hide your IP address to access websites that are blocked to IP addresses originating in Spain

In the last few months, the CNMV has been receiving comments from Spanish investors related to the use of new IT tools by what are known as financial boiler rooms — entities providing investment services without authorisation that are not registered in the CNMV's registers —, which have caused major losses to Spanish Investors' in the money invested, in transactions executed or from unsuccessful attempts in recovering their securities account balances.

The comments received are mainly related to the use of two tools that gained popularity following the measures adopted due to the Covid-19 outbreak: remote access software (like AnyDesk, LogMeIn, TeamViewer, etc.) and virtual private networks (VPN services).

Remote access software

These types of tools allow you to remotely connect to different devices of users (computers, mobiles, etc.) for users themselves, among other services, to access devices remotely from another terminal or to manage, on behalf of third parties, computer problems detected.

It has been detected that financial boiler rooms are using these tools to gain access to investors' devices to steal data (such as access keys or passwords), which enable them to subsequently transact with investors' securities accounts, without their express authorisation.

In some cases, the financial boiler room itself invites the investor to previously install a specific remote access application, but sometimes it may use an application available on the investor's computer.

Once the financial boiler room has gained remote access to the investor's device, it logs onto the website on which it unduly provides its investment services, capturing the access keys required to subsequently transact in the investor's securities account. Other times, the financial boiler room directly requests the securities account access keys from the investor.

The undue use of this remote access software, apart from the consequences that can arise for investors — which are common in other tools used by financial boiler rooms —, hinders potential police or judicial investigations in respect of identifying the originator of the transactions executed.

The foregoing are new approaches in a practice, from which, despite its naivety and simplicity, there are still victims in the sphere of financial boiler rooms, of giving third parties the access keys to bank or securities accounts, the risks of which should be highlighted.

Virtual private network (VPN services)

VPN services can be used, among other functions, to hide the Internet address (known as IP address), which acts as a public identifier for each IT device on the Internet. This identifier is unique for each device, revealing aspects such as its geographical location.

Some entities, in order to avoid being considered as financial boiler rooms that offer investment services to Spanish investors, block access to their websites to IP addresses originating in Spain.

However, investors have reported that they have been proposed by some financial boiler rooms, by phone, to use VPN servers, which enables hiding or simulating the IP address of their IT devices, such that the website through which financial boiler rooms offer their services does not identify the investor's real origin, thus avoiding the above-mentioned blocking, which becomes only "apparent".

Finally, we would like to insist on the recommendation of transacting only with entities authorised to provide investment services, the list of which may be consulted on the CNMV's website (www.cnmv.es), in section "[Registration files](#)". Likewise, entities which are the subject of a warning issued by the CNMV or a foreign regulator may be consulted on the [Search engine for warned companies of this website](#), which offers details of entities providing reserved investment services without the required authorisation.