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# MARKETING AND ADVERTISING POLICY

Volume 1

**COMPLIANCE DEPARTMENT – SYLVIA KYRIAKOU**  
BOGOFINANCE CAPITAL MARKETS LTD  
APPROVED BY BOD: 04/09/2019

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FXJET is owned as a trade name by Bogofinance Capital Markets LTD which is regulated by the Cyprus Securities and Exchange Commission (CySEC) under the license number 321/17

**.Address:** Arch Makariou III Avenue 134, Yiota Court, Office 101, 3021 Limassol, Cyprus, P.O. Box 51181  
**Tel:** +357 25 249000 **Fax:** +357 25 249009 **Email:** info@fxjet.com **Web:** www.fxjet.com

## 1. Introduction

Bogofinance Capital markets Ltd is a European investment firm incorporated under the laws of Cyprus and registered with the registrar of companies in Nicosia under HE 350309 (hereinafter the company). **FXJET** is owned as a trade name by Bogofinance Capital Markets LTD

Bogofinance Capital markets is regulated as a Cyprus investment firm by the Cyprus Securities and Exchange commission (CySEC) under Licence 321/17.

The Marketing and Advertising Policy ("the Policy"), has been created in accordance with the Investment Services and Activities and Regulated Markets Law 87(I)2017, which transposes the Directive 2014/65/EU on markets in financial Instruments ("MIFID II").

The company has a duty to market and advertise its products and services in a responsible way to ensure that all associated communications, marketing and advertising are legal, fair, honest, transparent, not misleading and sensitive to the best interests of its clients.

## 2. Scope

The purpose of this Policy is to provide guidelines to the company's employees and its business partners (including approved affiliates) understand the company's expectations for responsible marketing and advertising practices and conduct their business in full compliance with all the company's policies, procedures and guidelines and in accordance with all applicable laws, rules and regulations.

This policy applies to all marketing materials, advertising and sales materials, promotional materials and communications with clients that constitute an invitations or inducement to engage in investment activity with the company, regardless of the advertising medium employed.

## 3. Applicable Regulatory Provisions

The Company has taken into consideration the below regulatory documents when creating this Policy:

- Law 87(I)2017
- MiFID II Directive 2014/65/EU
- Commission Delegated Regulation (EU) 2017/565

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- Law 144(I)/2007, the Law regarding the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related matters (hereafter "the Law");
- Directive DI144-2007-02 of 2012, for the Professional Competence of IFs (hereafter the "Directive");
- CI144-2012-16, regarding information addressed to clients, including marketing communication;
- CI144-2012-10, regarding information addressed to clients including marketing communication;
- CI144-2013-07, regarding marketing communications;
- Circular C034, regarding maintaining merchant accounts with payment service providers for the clearing/settlement of payment transactions;
- Circular C053, regarding the use of market data;
- Circular C126, in relation to trading in binary options;
- Circular C065, in relation to the granting of trading benefits to clients;
- Circular C085, in relation to the notification of website address – Domain name – Redirecting and informing clients;
- Circular C217, in relation to the use of Affiliates
- Circular C194. In relation to offering bonuses to retail clients
- Circular C168, regarding the provision of CFDs and other speculative products to investors under MiFID
- Any other Directive and Circular issued pursuant to the Law.

## 4. Marketing and Financial Promotion

### 4A. Communications with Clients and Financial Promotions – General Requirements

The company shall ensure that all information provided or intended to provide to retail or professional or potential clients meet the below conditions:

#### 4A.1. Content

- a) All information includes the name of the investment firm and its authorisation license.
- b) Marketing Material must be accurate, clear and always give a fair and notable indication of all relevant risks when referring to the benefits of an investment service or financial instrument.
- c) The information must include a font size in the indication of the relevant risks, which must be equal to the predominant font size used throughout the information provided.
- d) The information provided must be sufficient and presented in an understandable way and the average member of the targeted market will comprehend it.
- e) The information does not disguise, diminish or obscure important items, statements or warnings.

- f) All information provided to the clients shall be in the same language (except if the client chooses a different language).
- g) All information shall be officially translated in all the languages, that the Company is offering.
- h) The information is up-to-date and relevant to the means of communications used.
- i) Marketing Materials must not:
  - I. Emphasize any potential benefits without also giving a fair and prominent indication of associated risks;
  - II. Disguise, diminish or obscure important items, statements or warnings;
  - III. Give advice to the clients or offer opinions;
  - IV. Mention bonuses as the company does not offer bonuses;
  - V. State that there are no fees as certain fees may apply;
  - VI. Encourage clients to deposit beyond their economic profile;
  - VII. Place psychological pressure on the clients

#### 4A.1.1. Examples of good and good and bad practise

##### *EXAMPLES OF GOOD PRACTISE*

The following are considered as examples of good practice; although the list is not exhaustive:

- Important information, statements or warnings are presented using clear and bold type styles.
- The size of important information such as risk warnings is proportionate, taking into consideration the content, size and orientation of the marketing material as a whole.
- Both the benefits and drawbacks of a financial instrument and/or service are balanced through equally prominent feature statements.
- Risk warnings are contained within their own distinct border, thus drawing the clients' and/or potential clients' attention to them.
- Risk warnings are clearly stated within the main body of the banner/picture and/or sign/invitation for account opening and ahead of a small print.
- Risk information appears on the website(s) landing page that the clients and/or potential client first arrive at when following a promotional link.

##### *EXAMPLES OF POOR PRACTISE*

- Risk warnings are diminished through the use of small fonts sizes and unclear type styles and due to their location being outside of the main advertisement border.
- Important information, statement are covered across colored or patterned backgrounds which diminishes their visual impact.

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- Important information is hidden and is only accessed through significant scrolling down and/or multiple page links.
- References which refer to indicative information and/or to fictitious and/or non-existing persons.
- Offering trading bonuses to the company's clients.
- Use of CySEC's and/or other regulators logos and trademarks.

#### 4A.2. Approval

- a) The company does not allow the use or dissemination, in any manner, of marketing materials that not approved by the company's compliance Department for the purpose of promoting the company and/or its services or products through websites, search engines, social media networks, ad-networks, marketing-emails, or in any other manner;
- b) The company does not allow the promotion of the company and/or its services or products, other than through websites, search engines, social media networks, ad-networks, marketing-emails, or in any other advertising media that have been expressly approved the company's compliance Department in accordance with the procedure set out in Section 6 if this manual.
- c) In the event that the company's compliance department does not approve the marketing material, it may not be used to promote the company in any manner whatsoever. The company will block traffic it receives form unapproved sources and take appropriate action.

#### 4A.3. Marketing materials only to be disseminated to the defined target Markets

- a) Under MiFID II, the company is required to ensure that its regulated services and products are only marketed to the appropriate target market of the financial instrument, as determined in accordance with the applicable laws, rules and regulations;
- b) Accordingly, that there must be no mass marketing of the investment, services, activities and financial instruments offered by the company, hence they only be marketed to the appropriate target market. Where marketing materials are disseminated via Google ads or social media whatsoever, it shall be ensured that such material is distributed to the appropriate target market;
- c) Hence, the following measures must be taken to ensure that the investment services, activities and financial instruments offered by the company are marketed appropriately:
  - i. Marketing materials must be disseminated only to financial related websites, blogs, newspapers and/or advertising media;
  - ii. Marketing materials must be disseminated only to client who search key words related to the company and/or investment services, activities and financial instruments offered by the company;
  - iii. The websites of the company' business partners (including approved Affiliates) must be related to the investment services and/or activities offered and/or recommended by the company and/or otherwise financial and/or economic related and any

marketing materials regarding the investment services, activities and/or financial instruments offered and/or recommended by the company, displayed on such websites must only be addressed to clients who fall under the appropriate target market;

- iv. Where relevant, the company shall provide its business partners with information regarding the appropriate distribution channels and the identification of the relevant target market of each financial instrument intended to be distributed

#### 4A.4. Other Restrictions

- a) Risk warnings may not be removed or altered;
- b) The company and/or its services or products may not be promoted in association with materials or mediums referencing in any way pornography, violence, offensive language, or political ideology or other potential controversial topics;

## 4B. Marketing Materials – Specific Rules

### 4B.1. Risk Warnings

- a) All statements must be balanced. When describing a potential benefit, the relevant risk must also be stated in a clear manner;
- b) In publications a risk warning approved by the company must be included in a prominent manner as follows:
  - i. All financial promotion must include the risk warnings specified in the **Appendix A** hereto, depending on the financial product to which they are pertaining;
  - ii. Risk Warnings are contained within their own distinct border, thus drawing the reader's attention to them;
  - iii. Risk Warnings are clearly stated within the main body of the marketing communication and ahead of a small print (i.e. legal text or contract information);
  - iv. Risk information appears on the website home page of the Company that clients and/or potential clients first arrive at, when following a promotional link.
  - v. Risk Warnings are properly included in all of the information addressed to clients, including electronic emails, affiliates landing pages etc.
  - vi. For a website in a language other than English, the risk warning must be translated accordingly

### 4B.2. Contracts for differences

- a) CFDs trading is a regulated activity and consequently promotional content must be fair, clear, not misleading and must comply with all related requirements mentioned in this policy/manual.

- b) When advertising CFDs on Forex/Commodities/Indices/Stocks/Bonds always mention that those are traded through CFDs. This can be mentioned in the body of the material or alternatively include the sentence 'CFDs Services' next to the risk disclaimer. Do not say 'trade the stock market' without mentioning that this is through CFDs, as this could be misleading.
- c) Any promotional content concerning CFDs, must contain the proper Risk warnings

#### 4B.2.1 Examples of Good and Bad practice:

##### *Examples of Good practice:*

- a) 'Trade Facebook Shares with FxJet' (including nearby or indicate an asterisk that the trading is through CFDs)
- b) 'FXJET offers CFD trading in shares, Forex, Indices and Commodities'
- c) 'Forex CFD Trading with FXJET'
- d) 'Forex Trading with FXJET' (include nearby or indicate an asterisk that the trading is through CFDs)
- e) Trade through CFDs: shares, Forex, Indices and Commodities

##### *Examples of Bad practice:*

- a) 'Trade Facebook Shares with FxJet' without indicating anywhere that the trading is through CFDs)

#### 4B.3. Financial Success

Promising financial success, whether implied or explicit, is prohibited. Specifically note the following non-exhaustive guidance:

- a) Do not promise profits;
- b) Do not make unwarranted claims of success by other traders or yourself;
- c) Do not promise that one can learn trading easily or profitably unless the word learn is connected with the demo mode or the platform usage
- d) Do not use the word 'play' or 'game' even when the advertisement/promotional material is related to demo mode/practice mode.

#### 4B.3.1 Examples of Good and Bad practice:

##### *Examples of Good practice: say*

- a) 'easy learning platform'
- b) 'simple platform tools'
- c) 'Easy to use platform'
- d) 'Easy to navigate platform'
- e) 'User-friendly platform'
- f) Practice trading using FXJET's demo account'
- g) 'Get to know trading using your FXjet Trade free demo account'



*Examples of Bad practice: Do not say:*

- a) 'easy profits with FXJET'
- b) 'easy and simple trading'
- c) 'Guaranteed profits by trading with FXJET Trade platform'
- d) 'Learn trading with FXJET platform'
- e) 'Trading is simple to learn with FXJET'

#### 4.B.4. Information provided including Comparison

Where the information compares investment or ancillary services, financial instruments or persons, providing investment or ancillary services, investment firms shall ensure that the following conditions are satisfied:

- the comparison is meaningful and presented in a fair and balanced way;
- the sources of the information used for the comparison are specified;
- the key facts and assumptions used to make the comparison are included.

#### 4.B.5. Information Provided including Past performance

Where the information contains an indication of past performance of a financial instrument, a financial index or an investment service, the Company shall ensure the following conditions are met:

- a) that indication is not the most prominent feature of the communication;
- b) the information must include appropriate performance information which covers the preceding 5 years, or the whole period for which the financial instrument has been offered, the financial index has been established, or the investment service has been provided where less than five years, or such longer period as the firm may decide, and in every case that performance information is based on complete 12-month periods;
- c) the reference period and the source of information is clearly stated;
- d) the information contains a prominent warning that the figures refer to the past and that past performance is not a reliable indicator of future results;
- e) where the indication relies on figures denominated in a currency other than that of the Member State in which the retail client or potential retail client is resident, the currency is clearly stated, together with a warning that the return may increase or decrease as a result of currency fluctuations;
- f) where the indication is based on gross performance, the effect of commissions, fees or other charges are disclosed.

#### 4.B.6. Simulated Past performance

Where the information includes or refers to simulated past performance, it must relate to a financial instrument or a financial index, and the following conditions shall be satisfied:

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(a) the simulated past performance must be based on the actual past performance of one or more financial instruments or financial indices which are the same as, or underlie, the financial instrument concerned;

(b) in respect of the actual past performance referred to in point (a) above, the conditions set out in sub-points (a) to (c), (e) and (f) of point C.2 Past Performance above must be complied with;

(c) the information must contain a prominent warning that the figures refer to simulated past performance and that past performance is not a reliable indicator of future performance

#### 4.B.7. Information Provided including Future Performance

Where the information contains information on future performance, the Company shall ensure that the following conditions are met:

- a) the information is not based on or refer to simulated past performance;
- b) the information is based on reasonable assumptions supported by objective data;
- c) where the information is based on gross performance, the effect of commissions, fees or other charges is disclosed
- d) the information is based on performance scenarios in different market conditions (both negative and positive scenarios), and reflects the nature and risks of the specific types of instruments included in the analysis;
- e) the information contains a prominent warning that such forecasts are not a reliable indicator of future performance.

#### 4.B.7. Absolute Statements

- a) an absolute statement is a statement which states something which is not relative or comparable. But which is absolute
- b) examples of such words are: 'best', 'top', 'first' and may only be used in marketing communications if such statement are supported by objective facts.

##### 4B.7.1 Examples of Good and Bad practice:

*Examples of Good practice: say*

- a) 'one of the leading platforms'
- b) 'a leading CFD provider'
- c) 'a top CFD provider'

*Examples of Bad practice: Do not say:*

- a) 'number one DFD provider'
- b) 'best platform'

#### 4.B.8. Restricted Audience

Marketing shall not be directed to prohibited audiences, which include at minimum the following:

- a) Person who are under the age of 18 years old;

- b) Residents of Canada and United States of America
- c) Residents of any jurisdictions where such services are prohibited due to domestic laws, rules and regulations.
- d) Residents of countries considered high risk for money Laundering and terrorist financing, including Afghanistan, American Samoa, the Bahamas, Botswana, Cambodia, Bosnia and Herzegovina, Democratic people's Republic of Korea, Ethiopia, Ghana, Guam, Iran, Iraq, Libya, Lao people's Democratic Republic, Nigeria, Pakistan, Panama, Puerto Ricco, Samoa, Saudi Arabia, Serbia, Sri-Lanka, Trinidad and Tobago, Syria, Tunisia, Yemen, US Virgin Islands, Uganda and Vanuatu. This list is updated according with international standards.

#### 4.B.9. Tax Treatment

Where the information refers to a particular tax treatment, it shall prominently state that the tax treatment depends on the individual circumstances of each Client and may be subject to change in the future

## 5. Marketing Materials Approval procedure

The Company shall have adequate systems in place to sign off the marketing communication either disseminated to clients directly by the Company or indirectly through its affiliates.

The Company's Executive Director and the Compliance Officer are required to establish a work plan and proceed with the implementation of the necessary arrangements so as to ensure that any marketing material communicated to clients through its affiliates, is always in accordance with the CySEC legal framework. The approval of any marketing communication shall be in writing and relevant records shall be in place.

The procedure is as follows:

- a) All marketing material, which have not been provided by the company, are subject to the prior approval process of the compliance department of the company.
- b) Marketing materials must be approved by the compliance department of the company by email to [compliance@fxjet.com](mailto:compliance@fxjet.com).
- c) Marketing Materials shall be submitted and in an editable format, where possible, as an attachment to the email,
- d) The company's compliance department will correspond by email with any comments,
- e) The company's compliance department will approve marketing materials by providing a scan of the approved version with a stamp, date and signature of responsible person.

#### Website Approval

Prior to launching a website, the Marketing Department must receive final written approval from the Company's compliance function and the Company's Executive Director.

## 6. Monitoring

The Compliance Officer shall be assigned by the Company to be responsible for the establishment of the necessary procedures relevant to the continuous monitoring of any marketing information to be addressed to clients.

The Compliance Officer shall review on a weekly basis any information, prior they go live, either through the Company or its affiliates. A relevant work plan is maintained, for Company's records. The work plan may include information such as the following:

1. Type of marketing material (i.e. email/banner/affiliates/video)
2. Date of Preparation
3. Preparer
4. Reviewer
5. Comments
6. Approval
7. Approval Date
8. Publication (i.e. whether the publication version is consistent with the version approved)
9. Follow up date
10. Mean of publication (through Company or affiliates)

In the event where the Compliance Officer identifies any possible variations from the version which initially has been approved, it communicates it to the Company's Executive Director for his further actions and relevant ticket is send to the Marketing Department for the correction of the said material.

### Website Monitoring

The Company operates a number of websites which may change from time to time. The Company needs to ensure that at all times, that the communication made to clients through its websites it fair and not misleading. In this respect and at least on a quarterly basis, the Company's Executive Directors and/or Compliance Officer reviews the Company websites as well as the websites of the affiliates in order to ensure that the material displayed on the website is in accordance with the website approvals issued by the Company. The Company needs to perform at least four reviews for each of the Company's websites during a calendar year and relevant records shall be kept as evidence.

## 7. Record keeping

The company's business partners (including affiliates) involved in marketing and/or promotional activities, shall keep a record of all their marketing communications and/or advertisements for the period of time provided in the relevant provisions of the Law, and for no less than 5 years from the time they were made.

In addition, the Company, Compliance Officer, shall also keep adequate records of any significant communications. Within the scope of assisting clients, these records enable the firm to deal effectively with any claims or complaints that are a result of any marketing communication made available to clients or potential clients.

## 8. Changes in the company's legal Documents

The Company is required to provide clients with specified legal information. A retail client or potential retail client must receive the following documents:

1. The Terms and Conditions which includes the following information
2. Conflicts of Interest Policy.
3. Risk Disclosure Statement.
4. Privacy Policy.
5. Investors Compensation Fund.
6. Details of the complaints handling process.
7. Order Execution Policy.
8. Client Classification Policy.

The Company provides its clients with the prescribed information through the website which is accessible by all website users (clients or potential clients) at specified times. In addition, retail clients are notified on the exact information location through an email upon registration.

The procedure to update legal documents/agreements is as follows:

1. The Company's compliance function and/or Executive Director informs the Marketing Department that a change is required to be made to the Company's legal documents.
2. The Marketing Department informs the Compliance Officer of the time-line to complete the change implementation.
3. The Marketing Department arranges the translation of the requested changes in all relevant languages.
4. The Company through a mass mailer in the format, informs clients of the changes and effective date.
5. On completion of the change translations, the Marketing Department updates of the relevant legal documents in all languages and websites.
6. On change implementation completion the Marketing Department informs the Company.
7. The Company's Executive Director confirms the change implementation, and then for future review and monitoring, records the changes in the Company's records both electronically and in hard copy.

## 9. Failure to comply

All employees of the company and its business partners are required to comply with this manual and all legislation and regulations.

The company reserves the right at its sole discretion to terminate any agreement, without prejudice, for any violation herein as it deems fit.

## 10. Prohibition of using any Competent Authorities Name

All information including marketing materials shall not use of any competent authority in a way that would indicate or suggest endorsement or approval by that authority of the products or services of the Company.

## 11. Amendment of this policy

The Company reserves the right to review and/or amend its Policy and arrangements whenever deems this appropriate according to any future regulatory requirements and guidelines.

## 12. Administration of the Policy

This policy will be maintained by the Company's Compliance Officer and management.

The policy is approved by the Company's Board of Directors on 04/09/2019

## Appendix A

### RISK DISCLAIMERS

#### 1. DIRIVATIVES (CFDs)

##### a) Websites – Landing pages:

CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 64% of retail investor accounts lose money when trading with CFDs with this provider. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.

##### b) Social Media

CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 64% of retail investor accounts lose money when trading with CFDs with this provider. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money

##### c) **Small Banners – If there is no mention of CFDs and the banner is a general invitation to open an account or start trading**

Trading is risky and your entire capital may be at risk

##### d) **Small Banners – if the banner mentions CFD Trading**

Trading CFDs can deplete your entire investment

##### e) **Large Banners – if the Banner mentions CFD Trading**

Trading CFDs involves high risk and your losses may exceed your initial capital