

The below sets out some guidelines and examples of what to do and what to avoid when preparing financial promotions (marketing materials) for investment-based crowdfunding products. These are general guidelines only, and ShareIn Compliance may provide more detailed feedback based on the features of an individual financial promotion.

DO

✔ **Make sure there's balanced risk language throughout the text.**

The amount of risk language required depends on the format of the financial promotion / density of the text. For example, while a short social media post might only need a single, short risk warning (e.g. "Capital at risk"), a longer press releases or web page would require risk language to be present throughout the text wherever the potential benefits of investing (e.g. a target rate of return) are being emphasised.

✔ **Use a large enough font size for any risk warnings / disclosures, so that these are balanced with the rest of the text of the financial promotion.**

While risk warnings don't necessarily have to be the exact same font size as the rest of the text, they can't be in tiny font or placed in a way that makes them easy to miss.

✔ **Send all materials to ShareIn Compliance to sign off before publishing / distributing.**

Failure to do so is a breach of ShareIn's Compliance policies and procedures.

✔ **Ensure any images are standalone compliant.**

If you include an image in a Twitter or Facebook post and the image itself is promotional (e.g. it quotes a projected ROI or includes a graph representing growth), then the image must have an appropriate risk warning on it.

✔ **Use the appropriate language for your audience, avoiding jargon and legalese**

This depends on your target audience, but is especially important to keep in mind if your offers are open to Restricted Investors or being promoted to the general public (e.g. on social media).

✔ **Only re-tweet or share third party posts which are compliant, and be sure to submit the post to ShareIn Compliance for review and approval before sharing. You are responsible for the compliance of any third party posts you choose to share.**

On Twitter, you can "retweet with comment" and add your own risk warning if there is no risk warning present in the original post. The "retweet with comment" will still need to be reviewed by ShareIn Compliance before being posted.

✔ **Make it clear that returns are not guaranteed.**

Wherever you mention a rate of return, be sure to either state that "Returns are not guaranteed" and / or add a qualifier such as "expected", "target", or "potential" in front of the ROI.

DON'T

⊗ Give tax advice.

Any mention of “tax free” (e.g. for investment in the Innovative Finance ISA) must make clear that this is NOT to be construed as tax. E.g. “Tax status is subject to individual circumstances and changes in legislation.”

⊗ Quote figures without citing the source/providing evidence of where this is from.

If you want to include any claims about the performance of a product or market, you must submit source for these claims to ShareIn Compliance at the review stage.

⊗ Compare your product to a more traditional banking product like a savings account.

This includes comparisons between Cash or Stocks & Shares ISAs and Innovative Finance ISAs. This type of comparison is not permitted where the products being compared have different risk / return profiles.

⊗ Put your risk warnings in hashtags.

No #CapitalAtRisk – the FCA has deemed this to be an inappropriate risk disclosure.

⊗ Use exaggerated adjectives like “fabulous” or “massive”.

You can use more balanced words like “attractive” or “competitive”

⊗ Use claims of urgency.

E.g. “Hurry, offer ends soon”, “Don’t miss out on this market-beating offer”, etc. If you do have an offer closing soon, find a way to communicate the deadline in a way that is fair and balanced..

⊗ Use your regulated status and / or the FCA’s name or logo in a promotional capacity.

The FCA do not allow their name or a firm’s regulated status to be used in a promotional capacity (e.g. “Invest in our regulated investment opportunity”), as this could be seen as implying that the FCA have directly signed off on or endorse a particular platform or offering.

⊗ Describe features of an investment as “guaranteed” or “secured”.

If there is some sort of security in place, this must be explained in a transparent manner that does not indicate or imply that the overall investment is guaranteed.