



BRICKHILL CAPITAL (CY) LIMITED

MARKETING POLICY

TABLE OF CONTENTS

1. PURPOSE	2
2. GENERAL REQUIREMENTS	2
3. MARKETING COMMUNICATION.....	3
3.1 Definition of marketing communication.....	3
3.2 Marketing Channels.....	3
3.3 Principles to be followed for marketing material and information addressed to clients	4
3.4 Fair, Clear and not Misleading	4
3.5 Risk Warnings	5
3.6 General conditions for information addressed to clients	6
A. Comparison:.....	7
B. Past Performance:.....	7
C. Simulated Past Performance:	8
D. Future Performance:	8
E. Tax treatment:.....	8
4. INFORMATION ADDRESSED TO CLIENTS.....	9
5. TRADING BENEFITS	10
6. PLANNING, PREPARATION, REVIEW AND APPROVAL OF MARKETING CAMPAIGNS	10
7. CONTINUOUS MONITORING	12
8. WEBSITES OPERATED BY THE COMPANY	13
9. TRAINING	13
10. RECORD KEEPING	14
11. ACKNOWLEDGMENT.....	14
12. UPDATES	15

1. PURPOSE

The scope of this policy is to set out the procedures and guidelines established and implemented by Brickhill Capital (CY) Limited (hereafter the “Company”) regarding the information addressed to clients or potential clients, including marketing communication. This policy is designed to ensure that the marketing communication of the Company, is clear, fair and not misleading and the relevant directives and circulars issued by the Cyprus Securities and Exchange Commission (“CySEC” or “Commission”) in regard to the information addressed to clients.

2. GENERAL REQUIREMENTS

In general, as per the legislative requirements, all information addressed by the Company to its clients or potential clients, including marketing communication, shall be *fair, clear and not misleading*. The aim of this policy is to ensure that all the persons employed by the Company as well as any service providers that are responsible for the preparation of marketing material and any service providers that communicate with clients and provides information on the investment and ancillary services as well as the financial instruments provided by the Company, are aware of their duties with respect to the following legislative requirements:

- (a) Law 87(I)/2017, regarding the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related matters.
- (b) Directive DI144-2007-02, regarding the professional competence of IFs and the natural persons employed.
- (c) Circular CI144-2012-16, regarding information addressed to clients with marketing communication included.
- (d) Circular CI144-2013-07, regarding Marketing Communication.
- (e) Circular C065, in relation to the granting of trading benefits to clients.
- (f) Circular C053, regarding the use of market data reported by a trading venue.
- (g) Circular C168, regarding the Updated version of ESMA’s Q&A document relating to the provision of CFDs and other speculative products to retail investors under MiFID
- (h) Circular C181, regarding the obligations of IFs when providing information to clients on the services and instruments offered.
- (i) Any other directives or circulars issued by CySEC in regard to the respective subject matter.

The main focus of this policy is to ensure that marketing initiatives are aimed at the right audience and are conceived in such a manner as to be clear and easily

understood by the average member of the group to whom it is directed. In addition, this policy aims to ensure the correct formulation of marketing communications and drastically reduce the possibility of the latter being misinterpreted or misleading, as per the relevant legislative requirements.

2.1.Role of the Head of the Marketing Department

The Marketing Manager's role is to:

- Implement policies on marketing department;
- Ensure that all information, including marketing communication, addressed to clients or potential clients are fair, clear and not misleading;
- Ensure that all information provided to the client or potential client is provided in good time;
- Ensure that the information on financial instrument and proposed investment strategies include appropriate guidance on and warnings of the risks associate with investment in those instruments or in those investment strategies;
- Ensure that all information on all costs and associated charges must include information relating to both investment services and ancillary services;
- Ensure that all information is provided in comprehensible form, in such a manner that clients or potential client are reasonably able to understand the nature and risk of the investment service and the type of the financial instrument;
- Developing marketing copy for use in marketing materials that will be disseminated through the Applicant's website;
- Running email marketing campaigns that will send targeted email messages to recipients listed on the Applicant's email lists;
- Developing banner ads and other marketing collateral that will feature in the Applicant's online media campaigns; and
- Developing and running promotional campaigns that will concentrate on attracting new clients.

3. MARKETING COMMUNICATION

3.1 Definition of marketing communication

Any form of information to clients is considered as marketing communication, depending on whether it includes an invitation or incentive for clients and/or potential clients to engage in any investment and/or ancillary services offered by the Company.

3.2 Marketing Channels

The Company has an integrated marketing strategy to promote the Company's brand through the following marketing channels, which relate to both potential and existing clients:

Search Strategy:

- (a) Pay-per-Click (“PPC”) – Search
- (b) PPC – Display
- (c) Remarketing
- (d) Search Engine Optimization (“SEO”)

Marketing Channels:

- (a) Online Media Buys
- (b) Directory Listings
- (c) Social Media Campaigns
- (d) Videos
- (e) Content Marketing.
- (f) Public Relations
- (g) Offline Events (expos/events)
- (h) Print Advertisements
- (i) Sponsorship

The marketing materials are sent to the above channels and vendors by the Company’s marketing team.

3.3 Principles to be followed for marketing material and information addressed to clients

This section of the policy analyzes the general principles to be followed by the Company and the employees responsible for the preparation of any marketing material addressed to clients, so as to ensure compliance with the relevant legislative requirements. The below principles are applicable to both the Company and its affiliates. General examples of adequate and insufficient practices as regards to marketing communication addressed to clients are available at **Appendix 1**.

Furthermore, advertising material shall not in any manner promote sexually explicit materials, violence, discrimination based on race, sex, religion, nationality, disability, sexual orientation or age and/or any illegal activities or violate any intellectual property or other proprietary rights of any third party. Promotional Marketing material shall be limited to services/products for which a license has been obtained by the Company from CySEC.

3.4 Fair, Clear and not Misleading

As regards to information addressed to clients and/or potential clients, it is the Company’s obligation that all information is fair, clear and not misleading. In particular, the Company shall ensure that all information addressed to, or disseminated in such a way that it is likely to be received by clients, classified as “Retail”, or potential “Retail” clients, including marketing communications.

The Company is not allowed to make false, misleading statements such as:

- promised returns / guarantee profits;
- statements that mislead clients to consider that trading in Forex / CFDs carries little or no risk;
- references that do not reflect the real opinion of clients;
- advertising the provision of investment services that the Company has not been granted with an authorization from CySEC.

Promotions that fail to be fair, clear and not misleading can pose a risk as they could lead clients who are classified as “Retail”, to trade with a financial instrument that is not appropriate for the client. The “fair, clear and not misleading” principle implies the balance in how financial instruments and/or services are promoted, so that for clients and/or potential clients to have an appreciation not only on the potential benefits but also of any relevant risks associated with trading.

3.5 Risk Warnings

In accordance with the legal framework the Company should place a risk warning within the borders of each banners/ picture or sign/ invitation to open an account. Specifically, all banners included in the website for advertising purposes, as well as invitations to open an account shall bear a risk warning which must be contained within its own distinct border so as to draw the reader’s attention. In particular, the Company must ensure compliance with the following requirements in respect of the risk warnings:

- Risk warnings are contained within their own distinct border, thus drawing the reader’s attention to them;
- 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);
- 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.
- Risk warnings are properly included in all of the information addressed to clients, including electronic emails, affiliates landing pages etc.

Following the latest updates of Directive 87-09 on imposing national measures to restrict the marketing, distribution and sale of CFD’s, the distribution or selling of CFD’s to retail clients is permitted when the following condition is met in relation to risk warnings:

1. The risk warning shall be in a layout ensuring its prominence, in a font size at least equal to the predominant font size and in the same language as that used in the communication or published information.

2. The risk warning shall include an up-to-date provider-specific loss percentage based on a calculation of the percentage of CFD trading accounts provided to retail clients by the CFD provider that lost money. The calculation shall be performed every 3 months and cover the 12-month period preceding the date on which it is performed ('12-month calculation period'). For the purposes of the calculation:
 - a) an individual retail client CFD trading account shall be considered to have lost money if the sum of all realised and unrealised net profits on CFDs connected to the CFD trading account during the 12-month calculation period is negative;
 - b) any costs relating to the CFDs connected to the CFD trading account shall be included in the calculation, including all charges, fees and commissions;
 - c) the following items shall be excluded from the calculation:
 - (i) any CFD trading account that did not have an open CFD connected to it within the calculation period;
 - (ii) any profits or losses from products other than CFDs connected to the CFD trading account;
 - (iii) any deposits or withdrawals of funds from the CFD trading account.
3. The Company shall use the standardized risk warnings included in Annex II of the Directive DI87-09.

3.6 General conditions for information addressed to clients

The Company must ensure that all information it addresses to, or disseminates in such a way that it is likely to be received by, retail Clients or potential retail clients, including marketing communication, satisfies the conditions laid down as follows:

- (i) The information should:
 - (a) include the name of the Company and that it is supervised by CySEC;
 - (b) include the number and the content of the Company's authorization;
 - (c) be accurate and in particular shall not emphasize any potential benefits of an investment service or financial instrument without also giving a fair and prominent indication of any relevant risks;
 - (d) be sufficient for, and presented in a way that is likely to be understood by, the average member of the group to whom it is directed, or by whom it is likely to be received;
 - (e) not disguise, diminish or obscure important items, statements or warnings.
- (ii) The information shall not use the name of any competent authority in such a way that would indicate or suggest endorsement or approval by that authority of the products or services of the Company.

Practical Guidelines – Emphasize potential benefits/Misleading Information

- The Marketing Department employees shall be accurate and in particular shall not emphasize any potential benefits of an investment service or financial instrument without also giving a fair and prominent indication of any relevant risks.
- It is required to explain the impact of any leveraged products by using wording such as *'loses may be more than the invested capital'*.
- When talking about possible returns, possible losses should also be mentioned; use wording such as *'the investment value can both increase and decrease and the investors may loss all their invested capital'*.
- Don't include only the benefits of a financial instrument; drawbacks should be also mentioned.

In addition to the above the following conditions shall need to be satisfied:

A. Comparison:

Where the information compares investment or ancillary services, financial instruments, or persons providing investment or ancillary services, the following conditions shall need to be satisfied:

- (i) the comparison must be meaningful and presented in a fair and balanced way;
- (ii) the sources of the information used for the comparison must be specified;
- (iii) the key facts and assumptions used to make the comparison must be included.

B. Past Performance:

Where the information contains an indication of past performance of a financial instrument, a financial index or an investment service, the following conditions shall be satisfied:

- (i) that indication must not be the most prominent feature of the communication;
- (ii) the information must include appropriate performance information which covers the immediately 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 if less than five years, or such longer period as the firm may decide, and in every case that performance information must be based on complete 12-month periods;
- (iii) the reference period and the source of information must be clearly stated;

- (iv) the information must contain a prominent warning that the figures refer to the past and that past performance is not a reliable indicator of future results;
- (v) 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 must be clearly stated, together with a warning that the return may increase or decrease as a result of currency fluctuations;
- (vi) Where the indication is based on gross performance, the effect of commissions, fees or other charges must be disclosed.

C. 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:

- (i) 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;
- (ii) 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 (iii) above must be complied with;
- (iii) 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.

D. Future Performance:

Where the information contains information on future performance, the following conditions shall be satisfied:

- (i) the information must not be based on or refer to simulated past performance;
- (ii) the information must be based on reasonable assumptions supported by objective data;
- (iii) where the information is based on gross performance, the effect of commissions, fees or other;
- (iv) charges must be disclosed;
- (v) the information must contain a prominent warning that such forecasts are not a reliable indicator of future performance.

E. 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.

4. INFORMATION ADDRESSED TO CLIENTS

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:
 - a. Means of communication.
 - b. Company name and address.
 - c. The languages in which the client may communicate with the Company and receive documents and other information.
 - d. Company's contact details.
 - e. Communication method for receiving orders.
 - f. Statement that the Company is authorized and the name and contact address of CySEC.
 - g. Summary description of the steps taken to ensure protection of funds the Company holds on behalf of its clients, including details about the Investor Compensation Funds.
 - h. Information on costs and associated charges.
 - i. A general description of the nature and risks of financial instruments taking into consideration the client's categorization either as retail or professional client. That description must explain the nature of the specific type of instrument concerned, as well as the risks particular to that specific type of instrument in sufficient detail to enable the client to take investment decisions on an informed basis.
2. Conflicts of Interest Policy.
3. Risk Disclosure Statement.
4. Privacy Policy.
5. Trading Conditions, available instruments, expiry dates, information of spreads and rollovers, as well as expiry rates as applicable for each product offered by the Company.
6. Details of the complaints handling process.
7. Order Execution Policy.
8. Client Classification Policy.
9. Dormant Accounts Policy, if applicable.
10. Investors Compensation Fund Policy.

The Marketing Department shall ensure that at least on annual basis the following sections in the Company's website are reviewed and updated accordingly:

1. Link to the **Market Discipline and Pillar III Disclosures** is updated;
2. **List of payment service providers** is updated once a new collaboration is in place or when a termination has occurred.

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.

5. TRADING BENEFITS

The Company, in order to be compliant with Circular C168 issued by CySEC, will not be offering bonuses or bonus schemes that are designed to incentivize retail clients to trade in complex speculative products such as Forex and CFDs. As for the offering of other trading benefits, the Company will notify CySEC of any new type of trading benefits that intends to offer to retail clients. The notification will take place before the trading benefit is launched to the market and the Company shall be able to demonstrate to CySEC that such trading benefit is not designed to encourage behaviors that are not in the best interests of clients.

6. PLANNING, PREPARATION, REVIEW AND APPROVAL OF MARKETING CAMPAIGNS

The aim of the respective section of the policy is to provide a solid foundation and road map from planning to approval and the execution of marketing campaigns and marketing material while making sure all policies and procedures have been duly respected in the mentioned stages. The Marketing Department of the Company would be responsible for the marketing of the Company's services to potential clients and therefore the planning and preparation of marketing campaigns.

The Marketing Function of the Company will be in-house, and any marketing information will be approved by the Company's Compliance Officer prior being disseminated.

First Step – Planning of Marketing Element and/or Campaign

The first step in the planning phase under which a request comes up to create a marketing element and/or campaign. The Company is required to clearly define the objective of the element and the audience / targeted clients to whom it is directed. Clearly defining the target audience is of prime importance as the marketing message and the delivery method (channel) will depend on this.

Second Step – Defining the Terms of Use

For all intended elements and campaigns, the marketing channel shall first be defined and applicable rules / policy of use / legal policies / terms of use of the channels must be studied and understood before actually planning the campaign for use on those channels.

Third Step – Prototyping information addressed to clients

One of the critical stages of the campaign planning process is to clearly define and prototype information that will be addressed to clients and potential clients. At this stage, the persons involved in the task shall take into consideration the objective of the campaign and accordingly define how the end message delivered to the client would look like and prototype this information. Prototypes will consist of the actual text. Messages, information, risk warnings and disclaimers to be used for the campaign.

Forth Step – Prototype Review by the Compliance Department

Upon the completion of the prototyping stage by the Marketing Department, the relevant persons are required to submit prototyped information to the Compliance Department in order for the latter to review and approve its content. The prototype approval process is to evaluate the marketing materials and ensure that they abide by the internal marketing guidelines and the relevant legislative requirements. The Compliance Department reviews the said material from compliance point of view and provides comments to the Marketing Department until the prototype is finalized and approved.

Fifth Step –Design and Development

Subsequently to the content approval by the Compliance Department, the Marketing Design Team creates mock-ups and the Marketing Development Team builds the respective mock-ups in the marketing element.

Sixth Step –Quality Assessment

The Marketing Department conducts quality assessment on the marketing element subsequently to the same being designed and developed and applies a final check on the project.

Seventh Step – Final Approval

Upon completing the design of the material, the designer shall send the material via email to the Company’s Compliance Function. If the Compliance Function is not satisfied that the material meets all of the conditions mentioned above, it shall revert to the Head of Marketing via email stating the reasons why the material is not up to the appropriate standards requesting the appropriate changes.

In case where the Compliance Function is satisfied that the material meets all of the conditions it shall inform the Head of Marketing via email. In this respect, the Head of Marketing will proceed with registering the material into a spreadsheet (in this Section “the registry”) that will include the following information:

- The name and a description of the material and the promotion for which the material was created for (EMAIL/BANNER/VIDEO/LANDING PAGE)

- The name of the person who provided the initial approval of the material;
- The name of the Compliance Function Officer who approved the material;
- Date of approval by the Compliance Function;

Upon registering the material to the registry, the designers shall upload the material into a folder in web server. This web server shall be restricted from view and editing to all persons in the Company and to any affiliates/outsourced parties to the Company with exception of the Company's Compliance Function.

The Head of Marketing shall complete the Promotion Form, found at Appendix 2 and send it to Compliance Department for final approval.

The marketing material stored in the server of the Company.

The Company shall make available the folder in the server, the marketing material as well as any emails of the persons described above to its Internal Auditor and CySEC upon request.

Eighth Step – Approved / Rejected Marketing Material

Once a marketing element has undergone the final compliance approval process and it has been verified and approved that the marketing element is compliant with regards to existing legislative requirements, the Marketing Department shall proceed with the launch of the campaign.

Marketing Department Responsibilities

The overall responsibilities of the Marketing Department are the following:

- Ensuring smooth and efficient operation of the Marketing Department
- Advertisement services by creating all necessary elements and content, i.e. banners, flyers, expo booths, videos etc.
- Develop promotional plan for key countries
- Website maintenance within the CySEC guidelines
- Inform compliance department and get any approval for the financial promotions
- Preparing regional marketing budgets
- Preparing regional and global integrated campaigns – PPC, media buys, content marketing, T.V., social media etc.

7. CONTINUOUS MONITORING

The Chief Marketing Officer is assigned by the Company which is responsible for the establishment of the necessary procedures relevant to the continuous monitoring of any marketing information to be addressed to clients. The Chief Marketing Officer reviews on a daily basis any marketing information. A relevant work plan is maintained, for the Company's records.

In the event which the Chief Marketing Officer identifies any possible variations from the version which initially has been approved, it communicates it to the Company's Executive Director for further actions and relevant ticket is send to the Marketing Department for the rectification of the deficiencies identified.

8. WEBSITES OPERATED BY THE COMPANY

8.1 Launch of a website

For the launching of a website, the Marketing Department shall undergo a similar procedure, as per Section 6 of this policy. In particular, prior to launching a website the Marketing Department must receive final written approval from the Digital Marketing Manager responsible for the preparation of marketing material and an Executive Director of the Company.

8.2 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 is clear, fair and not misleading. In this respect and at least on a semi-annual basis, the Company's Chief Marketing Officer reviews the Company's websites 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 two (2) reviews for each of the Company's websites during a calendar year and relevant records shall be kept as evidence.

9. TRAINING

The persons employed by the Marketing Department of the Company shall have the necessary knowledge and experience to carry out the functions assigned to them and to ensure that all employees act with the highest integrity to complete the tasks assigned to them. In addition, the Executive Directors shall ensure that the Marketing Department employees are aware of the relevant legislative requirements regarding marketing communication.

The timing and content of the Marketing Department training shall be determined within the Company's Annual Training Plan by taking into consideration the needs of the Company. The frequency of the training can vary depending on the

amendments of legal and/or regulatory requirements, employees' inquiries as well as any other changes where this is deemed necessary. However, it is noted that the employees of the Marketing Department shall attend at least once a year to relevant training sessions, presented either in-house or by external trainer. The Executive Director shall also arrange meetings with the Marketing Department employees on a regular basis, so as to assist them accordingly. On-going training may be provided as and when the need occurs so as to ensure that the employees are reminded of their duties and responsibilities and kept informed of any new developments.

10. RECORD KEEPING

The Company shall ensure the proper maintenance of records in regards to the preparation, review and approval of marketing material as well as in regards to the conducting of ongoing monitoring of marketing material. In particular, the Company shall ensure the record keeping of at least the following:

1. All marketing material prepared by the Marketing Department as per the provisions of section 6 of this policy, as well as the correspondence in regards to the approval / rejection of marketing material.
2. Work plan in regards to the conducting of ongoing monitoring of marketing material.
3. Marketing Material Monitoring Registry, as per the provisions of section 8 of this policy.
4. Evidence in regards to the approval of websites operated by the Company, as per the provisions of section 9 of this policy, as well as evidence in regards to the conducting of at least two (2) reviews for each of the Company's websites during each calendar year.

The Company shall retain all marketing material in electronic form, subject to the requirement that the Company is, at any time, in a position to retrieve them without undue delay and present them to CySEC, if requested.

In addition, the Company shall keep adequate records of any other significant communications in regards to marketing material in an electronic form. The relevant records shall be kept for at least five (5) years, as of the date that the marketing material was disseminated to clients.

11. ACKNOWLEDGMENT

This policy is required to be acknowledged by all the Company's employees as part of the Company's Internal Operations Manual.

12. UPDATES

The Company shall ensure that this policy is kept up to date and in accordance with the relevant legislative requirements. The Executive Directors of the Company, with the collaboration of the Marketing Department, where applicable, have the responsibility to perform a periodical review of this policy, at least once a year. The Company has the right to amend the current Policy at its discretion and at any time it considers it suitable and appropriate.

APPENDICES

Appendix 1 – Examples of good and poor practice

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, statements are covered across colored or patterned backgrounds which diminishes their visual impact.
- 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.
- Use of CySEC's and/or other regulators logos and trademarks.