

Financial Promotions Alert

The Astana Financial Services Authority (“AFSA”) reminds AIFC Participants that according to Rule 3.3.1 of the AIFC Conduct of Business Rules (“COB”), a Person is prohibited from making a Financial Promotion in relation to a Regulated Activity carried on by an Authorised Firm licensed by the AFSA unless: a) that Person is an Authorised Firm; b) the content of the Financial Promotion is approved by an Authorised Firm; or c) the Financial Promotion is exempt under COB 3.3.3.

A Financial Promotion is any communication (made via any medium including brochures, telephone calls, and presentations) the purpose or effect of which is a) to promote or advertise Investments or any Regulated Activity; or b) to invite or induce any Person either to enter into an agreement with any Person in relation to a Financial Product or to engage in any Regulated Activity.

Thus, a Financial Promotion could include any oral, written, or electronic communication (e.g., emails, advertisements, letters, telephone calls, face-to-face meetings, conferences).

All Financial Promotions made in or from the AIFC should be fair, clear, and not misleading. Authorised Promoters should ensure that all Financial Promotions which they communicate or approve contain the information specified in [Schedule 5 to COB](#) (e.g., the name of the Authorised Firm communicating the Financial Promotion or on whose behalf it is being communicated, the Authorised Firm’s regulatory status and address, the date of issue and expiry date of the Financial Promotion).

The AFSA also would like to emphasise that in accordance with the AIFC Collective Investment Scheme Rules (“CIS”), any person Offering Units or other Securities of both Exempt and Non-Exempt Funds must comply with the rules regarding Financial Promotions. Besides, the Exempt Funds’ Units could be Offered in the AIFC only by way of a private placement to Persons who are Professional Clients and in minimum subscription amounts of USD 50,000.

In this respect, Authorised Promoters should ensure that if a Financial Promotion is intended only for Professional Clients, it should not be sent or directed to any Person who appears on reasonable grounds not to be a Professional Client. The Financial Promotion, if it is intended only for Professional Clients or Market

Counterparties, must clearly state who the intended audience is, and that no other person should act upon it.

As the regulator of financial services and related activities in the AIFC, the AFSA seeks to provide protection for investors and potential investors against misleading promotions. In case of breach of the relevant AIFC acts, the AFSA may take disciplinary and enforcement actions in respect of unlawful Financial Promotions if this would support its Regulatory Objectives specified in Section 7(3) of the AIFC Financial Services Framework Regulations.

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