

Understanding the New UK Financial Promotions Rules: What You Need to Know

As a Crypto.com user residing in the United Kingdom, you might have noticed some recent changes in accessing the Crypto.com products. These changes are due to the introduction of the Financial Conduct Authority (“FCA”)’s new [Financial Promotions](#) (“FinProm”) regime. Here is what you need to understand:

1) Why the changes?

- The FCA has implemented the FinProm regime to ensure that customers like you have a clear understanding of the risks associated with investing in crypto.
- These changes are aimed at enhancing consumer protection and promoting transparency in the crypto market.

2) What do the new rules mean for you?

- Whether you are a new or existing customer, before you can trade you must:
 - self-categorise your investor profile type; and
 - pass the “appropriateness assessment” quiz.
- If you are a new customer, there is also a compulsory 24-hour cooling-off period before you can start trading.

3) What does the self-categorisation process involve?

- If you are a new customer, your onboarding process will involve categorising yourself under the “Risk Profile” heading as either (i) a restricted investor, or (ii) a high-net worth investor.
- If you are an existing customer, you must also complete this step to maintain access to trading crypto.
- You must reconfirm your Risk Profile status every 12 months. We will get in touch with you nearer to the time to make sure that you enjoy uninterrupted access to trading.
- Please see below for descriptions of what each risk profile / investor type means.
- **Risk Profile:**
 - (i) [Restricted Investor](#)
You have not invested more than 10% of your net assets* in high-risk investments** in the past 12 months, nor do you intend to in the next 12 months.
 - (ii) [High-Net Worth Investor](#)

You have an annual income of £100,000 or more (excluding one-off pension withdrawals) or net assets* of £250,000 or more.

*Net assets do not include your home (primary residence), your pension (or any withdrawals), or rights under qualifying contracts of insurance.

**High-risk investments are peer-to-peer (P2P) loans; investment-based crowdfunding; units in a long-term asset fund; cryptoassets (such as Bitcoin); and unlisted debt and equity (such as in companies not listed on an exchange like the London Stock Exchange).

4) What is the Appropriateness Assessment Quiz?

- The “appropriateness assessment” quiz is a short test designed to assess your experience and knowledge in purchasing crypto and understanding associated risks, such as the risks to you if Crypto.com becomes insolvent.
- If you fail the quiz, you can take another attempt right away. However, if you fail twice in a row, you will need to wait 24 hours before you are allowed to attempt it again.
- If you want to learn more about crypto including risks involved, please read our educational material.

5) What is the 24-hour cooling-off period?

- For new customers signing up to Crypto.com in the UK, there is a compulsory 24-hour cooling-off period.
- This period aims to protect you, as a new customer, from making spontaneous investment decisions.
- Once the 24-hour period ends, you will be free to trade.

6) What other changes do the new FinProm rules introduce?

- You may have noticed more detailed risk warnings, including banners, across the Crypto.com website and apps. These are designed to ensure you are fully aware of the risks involved with investing in crypto.
- Furthermore, by law, Crypto.com is not permitted to offer incentives such as first-time purchase bonuses, referral rewards, cash backs, discounts, or gifts for making direct crypto purchases. As a result, Crypto.com has had to discontinue its Affiliate and Referral programs for UK customers.