

- (i) Machines or vibrator machines including electrical muscle and nerve stimulators.
- (ii) Inflatable garments.
- (iii) Sauna and Turkish baths.
- (iv) Products based upon osmosis.
- (v) Bath essences, soaps.
- (vi) Products claiming artificially to increase the metabolic rate of the body.
- (vii) Diuretics, laxatives.
- (viii) Hypnosis.
- (ix) Products claiming to offer 'spot reduction' (i.e. to remove fat from specified parts of the body).
- (x) Products claiming to achieve slimming through the removal of 'cellulite'.
- (xi) Thermal pads.

5.8.2 It will not be regarded as sufficient to validate the advertising of any of these categories of products as efficacious in themselves for weight or figure control, that a diet plan or dieting aids or an exercise scheme or treatment is offered with them.

PART 5 – Financial Services and Products

1. Explanatory Material

- 1.1 Advertisements addressed to the public for capital or financial products or services, or financial information should take special care to ensure that the public are fully aware of the nature of any commitment which they may enter into as a result of responding to the advertisement.
- 1.2 Unspecific advertisements, that is, those which are limited to indicating in general terms the availability of investment opportunities, are not acceptable unless explanatory material concerning the facilities or opportunities available will be provided free of charge to those who request them.

2. Details of Benefits

- 2.1 In specific advertisements which contain details, including those given by way of example, the benefits which may accrue through investing in a given investment should be understood easily and must not take advantage of people's inexperience and gullibility.

3. Growth Rates and Rates of Return

- 3.1 Where an advertisement contains any forecast or projection of a specific growth rate, or any specific rate of return, it should make clear the basis upon which that forecast or projection is made; whether reinvestment of income is assumed; whether account has been taken, and if so how, of the incidence of any taxes or duties; and whether the forecast or projected return will be subjected to any deductions, either upon premature realization or otherwise.
- 3.2 Where growth or return is indicated through the use of money equivalents, the net annual rate which is thus assumed should be cited in effective percentage terms, and should be calculated upon the same basis as any other rate quoted in support of the claim.
- 3.3 When any advertisement quotes past experience in support of a forecast or projected growth rate it should not mislead in relation to present prospects and should indicate the circumstances and the period of such experience in such a way that the reliability of the forecast or projected growth rate can fairly be assessed.
- 3.4 All advertisements making claims whether specific or not as to growth rate of return should include a note, to be given due prominence, to the effect that past experience is not necessarily any guide to the future performance.
- 3.5 Where rates of returns are expressed as gross, the tax position should be clearly explained.
- 3.6 Where claims to investment skill are based upon an asserted increase in the value of particular items purchased (or recommended for purchase) by the advertiser in the past, he should be able to adequately substantiate that the purchase or recommendation upon which this assertion is based was made at the time claimed, and that the present value asserted for the investment corresponds to the price actually obtained for identical items when sold in the open market in the period immediately preceding the appearance of the advertisement. No claim of increase in the value of investments or the collectibles should be based upon the performance within a given market of selected items only, unless substantiation for the claim can be provided.

4. The Nature of the Contract

- 4.1 The type of contract forming the basis of the product or service advertised (and especially any charges, expenses or penalties) should be made clearly, and wherever the nature of the investments underlying the contract or to which it is linked is material to its choice, a fair description of investment objectives and of such investments should be given.

5. Tax

- 5.1 Where a claim is made in an advertisement as to the return offered by a given investment, and the achievement or maintenance of the return quoted is dependent in part upon the assumed effects of tax or duty, the advertisement should make it clear that no undertaking can be given that the fiscal system may not be revised with consequent effect upon the return offered.
- 5.2 The phrases ‘tax-free’, ‘tax-paid’ and other phrases should not be used without qualification as to the particular tax and/or duties involved. In particular the advertiser should state as clearly as possible what liabilities may arise and by whom they will be paid.

6. Other Restrictions

- 6.1 Where an advertiser reserves the right under certain circumstances to defer repayment of any sum invested for which in normal circumstances immediate repayment might be demanded by the investor, the maximum period during which repayment may be withheld should be stated in the advertisement.
- 6.2 Where investors are offered planned withdrawal of capital as an income equivalent, e.g. by cashing in unit trusts, the advertiser should ensure that the effect of such withdrawals upon capital invested is clearly explained.
- 6.3 Advertisements which may lead to the employment of money in a vehicle whose value is not guaranteed, should indicate that the value of the investment can go down as well as up. Where values are guaranteed, sufficient detail should be included to give the readers a fair view of the nature of the guarantee.

PART 6 – Mail Order Advertising

1. Definition of Mail Order Advertisement

- 1.1 “Mail order advertisement” refers to all advertisements, (except as expressly provided below) in which an offer is made, whether directly or by implication, to dispatch goods, or have them delivered to the purchaser, upon receipt of a written order, accompanied by payment in whole or in part, without the necessity for the consumer to visit any retail establishment or to examine the goods