

BEWARE
YOUR CFTC LIABILITY
(that, no, they're not a god)

ifrah.com



- Since the 1970s, commodities have expanded to include financial instruments, foreign currency and bank interest.
- Because the sale of so many financial and commodity instruments are conducted online, affiliates have come under the scrutiny of the CFTC.

CFTC has focused on:

- False and deceptive nature of the product (piggy bank icon)
- or =
- If regulated via regulation without (a) market fact (no-go icon)



• Futures contracts were originally for agricultural products and have been traded in the U.S. for 150 years.



5 WAYS AFFILIATES CAN MANAGE THEIR RISK

- 1**
Do not promise large profits
- 2**
Educate consumers on the risk
- 3**
Do not offer margin trading without sufficient explanation of the term
- 4**
List your contact information and follow best business practices
- 5**
Seek indemnification from merchant if possible

The CFTC does NOT, and takes everything you have PLUS what you don't have.

CASE STUDY: Domain Name Seizure Reversed, Favorable Settlement Gained

© 2014 Ifrah.com. All rights reserved. All other marks belong to their respective owners.

BEWARE

YOUR CFTC LIABILITY

(And, no, that's not a typo)

Most affiliate advertisers are familiar with the FTC



FTC has focused on:

- ▶ False and deceptive nature of the product (ecigs)

– or –

- ▶ Unsolicited communication methods (unsolicited text)





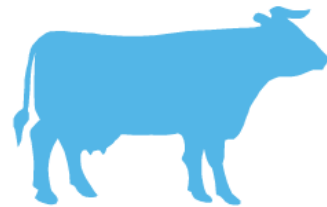
The CFTC

(The Commodities Futures Trading Commission)

regulates the sale of commodity
and financial futures options



- ▶ Futures contracts were originally for agricultural products and have been traded in the U.S. for 150 years





- ▶ Since the 1970s, commodities have expanded to include financial instruments, foreign currency and stock indexes
- ▶ Because the sale of so many financial and investment instruments are conducted online, affiliates have come under the scrutiny of the CFTC

Which affiliates are regulated by the CFTC?





▶ Foreign Currency Trading
Contracts (**FOREX**)



- ▶ Currency-trading employment opportunities
- ▶ Binary options





What

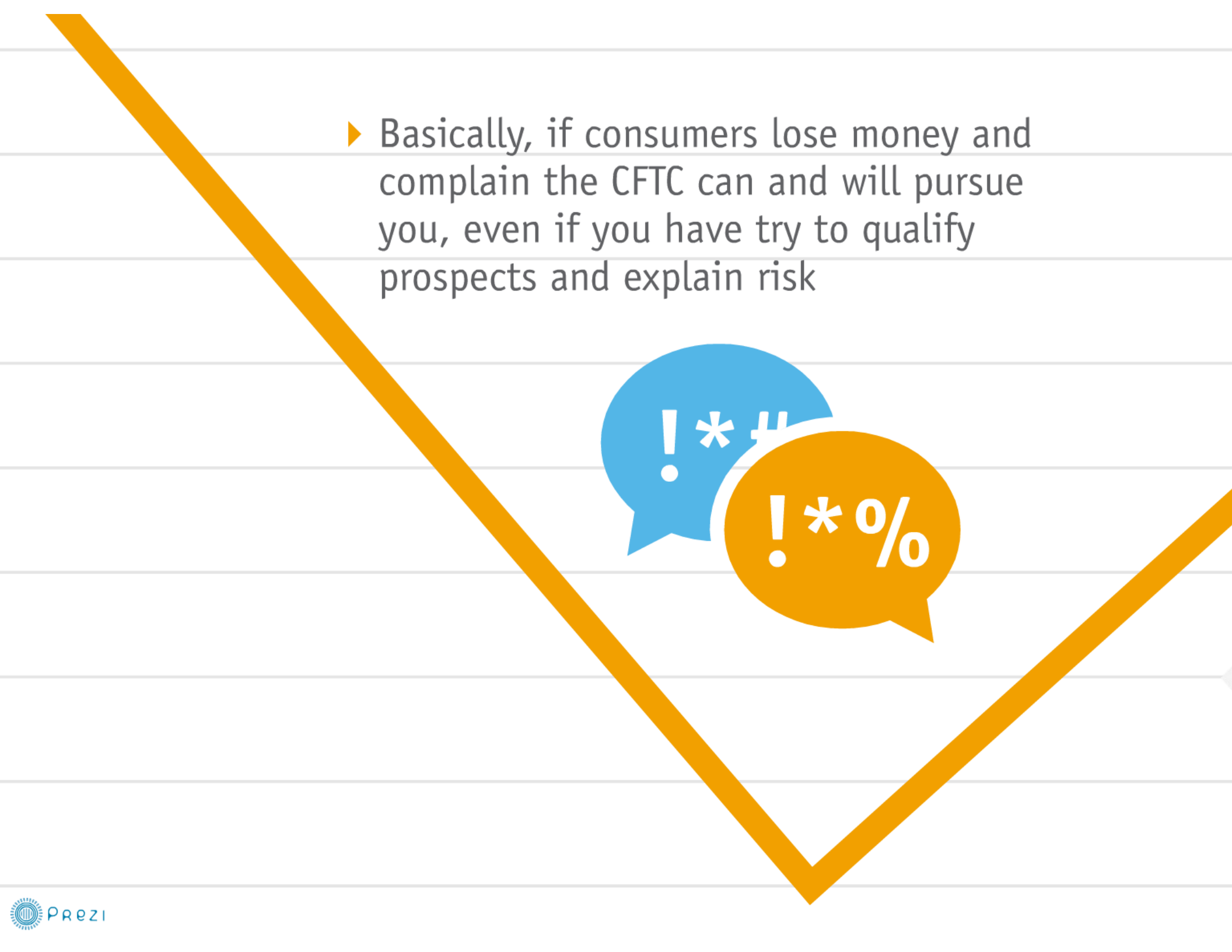
**is the CFTC
looking for?**

▶ Deceptive nature of advertising, but



▶ Financial returns are most important



- 
- ▶ Basically, if consumers lose money and complain the CFTC can and will pursue you, even if you have try to qualify prospects and explain risk




Compared to the CFTC,
the FTC is a nice guy



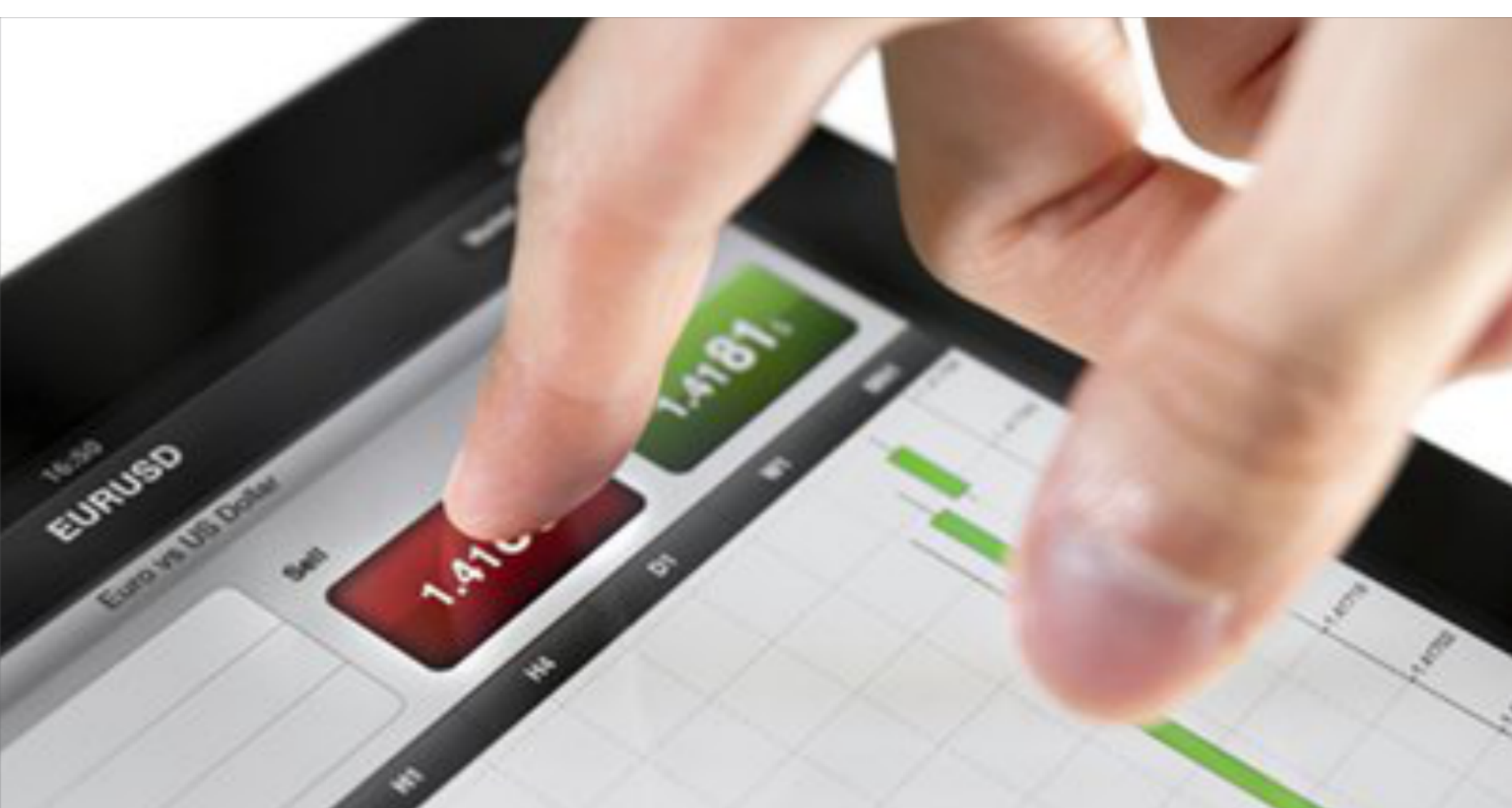
Compared to the CFTC, the FTC is a nice guy



- ▶ The FTC takes into consideration your ability to pay when assessing damages



**The CFTC does NOT, and
takes everything you have
PLUS what you don't have.**



CASE STUDY: Domain Name Seizure Reversed, Favorable Settlement Gained

(CFTC v. InstaForex, Case No. 1:11-cv-00188 (U.S. District Court, District of Columbia))

5 WAYS **AFFILIATES CAN** **MANAGE THEIR RISK**

1

Do not promise
large profits



Educate consumers
on the risk

3

Do not offer margin trading
without sufficient
explanation of the term



List your contact information and follow best business practices



Seek indemnification
from merchant if possible