

**For Immediate Release
September 23, 2021**

**Canadian securities regulators outline expectations for advertising and marketing by
crypto trading platforms**

TORONTO AND MONTREAL – The Canadian Securities Administrators (CSA) and Investment Industry Regulatory Organization of Canada (IIROC) today published [guidance to help crypto trading platforms understand and comply with requirements under securities law and IIROC rules for advertising, marketing and social media use](#).

Securities regulators have noticed a recent increase in advertising and marketing by crypto trading platforms. In several cases, CSA and IIROC staff have observed statements in crypto trading platforms' advertising and marketing materials that could mislead investors. Staff are also concerned about crypto trading platforms' use of gambling-style promotions that may encourage excessive and risky trading by retail investors.

“Misleading advertisements and improper marketing strategies may encourage investors to take on risks they would normally avoid, and not respecting the requirements under securities law and IIROC rules may raise concerns about a crypto trading platform's fitness for registration,” said Louis Morisset, CSA Chair and President and CEO of the Autorité des marchés financiers.

The guidance published today is intended for registered crypto trading platforms, platforms that have or will be applying for registration and other registrants that may be considering establishing a platform as a new business line. The publication includes examples of misleading statements in advertising and marketing materials, and outlines the concerns of CSA and IIROC staff over the use of improper gambling-style contests, promotions and schemes. Additionally, the guidance outlines regulators' compliance and supervisory expectations for firms using social media.

“Crypto trading platforms should consider their advertising and marketing strategies in the context of their obligations to treat clients fairly and honestly,” said Andrew J. Kriegler, IIROC President and CEO. “IIROC will continue to work closely with the CSA to ensure investors are protected.”

Crypto trading platforms should consult with their legal counsel and contact their local securities regulatory authority on appropriate steps to comply with advertising, marketing and social media use requirements under securities legislation, and contact IIROC regarding compliance with IIROC rules.

The guidance can be found on CSA members' [websites](#) and on [IIROC's website](#).

The CSA, the council of the securities regulators of Canada's provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

IIROC is the pan-Canadian self-regulatory organization that oversees all investment dealers and their trading activity in Canada's debt and equity markets. IIROC sets high quality regulatory and investment industry standards, protects investors and strengthens market integrity while supporting healthy Canadian capital markets. IIROC carries out its regulatory responsibilities through setting and enforcing rules regarding the proficiency, business and financial conduct of 174 Canadian investment dealer firms of varying sizes and business models, and their more than 31,000 registered employees. IIROC also sets and enforces market integrity rules regarding trading activity on Canadian debt and equity marketplaces. For more information, visit www.iiroc.ca.

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