

**For Immediate Release  
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**Canadian Securities Administrators publish guidance on marketing practices of portfolio managers**

**Vancouver** –The Canadian Securities Administrators (CSA) today published Staff Notice 31-325 to provide guidance for the preparation, review and use of marketing materials by portfolio managers (PMs).

The guidance is based on findings identified during a recent CSA compliance review of over 50 PMs focused on marketing practices. The CSA encourages PMs and other registered firms and individuals to use the guidance contained in the notice to assess their own marketing practices, and determine the areas where improvements can be made.

“To offer better protection to the investor community, securities regulators need to understand the ways in which portfolio managers are marketing their services and experience, and how these marketing efforts influence investors,” said Bill Rice, Chair of the CSA and Chair and CEO of the Alberta Securities Commission. “The findings of the review will also be useful to industry, as they generated numerous recommendations that will assist portfolio managers in meeting their legal obligation to deal fairly, honestly and in good faith with their clients.”

The CSA is also providing guidance to firms and their registered employees on the use of social media platforms for marketing to clients and the potential supervisory challenges raised by the increasing use of this communication channel.

The notice sets out a series of recommendations to help PMs ensure their marketing practices are in accordance with securities law, including that statements provided to investors are fair and not misleading.

The suggested practices included in the notice relate to the following issues:

- Preparation and use of hypothetical performance data
- Exaggerated and unsubstantiated claims
- Policies, procedures and internal controls
- Use of benchmarks
- Performance composites
- Holding out and use of names
- Other performance return issues
- Disclosure related issues

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

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