

All or Nothing: Advisors Cautioned on Advertising Rule Limbo

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The advisory industry finds itself in a protracted regulatory limbo about the still-unpublished Securities and Exchange Commission advertising rule, so caution must be exercised before taking advantage of the new marketing flexibility, according to industry stakeholders.

Foreside's Les Abromovitz, Managing Director recently shared with Financial Advisor IQ that you should not assume you can correct every problem with a disclosure.

Advisors also need to keep in mind restrictions around performance advertising, Abromovitz said. The SEC has said such marketing raises "special concerns" and must be flagged in Form ADV filings.

The SEC voted in December to unanimously approve the changes to the rule, which have not yet been entered into the Federal Register. The new rule will become effective 60 days following that publication, after which a year-and-a-half transition period will follow. Click [here](#) to read the full story in Financial Advisor IQ.