



Advisers Act The Marketing Rule [Rule 206(4)-1] (December 22, 2020)	Effective date is May 4, 2021 Compliance Date is November 4, 2022.
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The SEC announced reforms to modernize the advertising and cash solicitation rules that govern investment adviser advertisements and compensation paid to solicitors, creating a single rule replacing Rules 206(4)-1 and 206(4)-3. Some notable changes to the applicable rules, include:

- Definition of Advertisement expanded to include private fund investors;
- One-on-one communications including hypothetical performance, and compensated testimonials and endorsements constitute advertisements, but the prohibition on testimonials was eliminated;
- Seven principles-based standards/prohibitions apply to all advertisements;
- Additional guidance regarding social media;
- Delineated requirements pertaining to performance advertising and third-party ratings; and

Corresponding amendments to the books and records rule and amendments to Form ADV (Item 5.L) to require disclosure of certain marketing practices.

<https://www.sec.gov/news/press-release/2020-334>