

# Corporate & Financial Weekly Digest

October 28, 2011 by [Daren R. Domina](#)

## **FINRA Provides Guidance on Advertising Regulation Issues**

The Financial Industry Regulatory Authority, Inc. has issued Regulatory Notice 11-49 (the Notice), which provides guidance to member firms on certain issues regarding NASD Rule 2210 (the Rule) and communications with the public. The Notice reminds firms that: i) the Rule 2210(c) filing requirement concerning sales literature and advertisements of registered investment companies includes research reports that fall within the definition of advertisement or sales literature, and ii) the Rule 2210(c) filing requirement concerning sales literature and advertisements of public direct participation programs includes the advertisements and sales literature of exchange-traded products organized as grantor trusts that meet the definition of a FINRA Rule 2310 direct participation program.

The Notice notifies firms that, due to inconsistent treatment by firms of the inflation adjustment when calculating the yield of a fund investing in Treasury Inflation-Protected securities, FINRA interprets Rule 2210(d) to require a firm to include the fund's current yield in its advertisements and sales literature, along with certain disclosures. The Notice also instructs firms that it is a violation of FINRA IM-2210-4 for firms and their associated persons to include in any firm or associated person trademark the FINRA trademark or reference to FINRA membership. In addition, FINRA reminds firms to identify related prior filings when the firm submits a new communication filing to the Advertising Regulation staff for review.

Click [here](#) to read Regulatory Notice 11-49.

Read through and enter the discussion with the form at the end  
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