

Common review areas to consider prior to submitting materials to compliance:

- Does the material provide a sound basis for evaluating the facts regarding the product or service discussed?
- Is the piece fair, balanced and complete? Are there any omissions that would cause it to be misleading?
- Does the material include any recognizably false, exaggerated, unwarranted or misleading statements or claims?
- Is material information—such as risk disclosures and cost information—buried in a footnote, or clearly included close to the relevant discussion?
- Are all required disclosures included?
- Is AIC's name clearly and prominently disclosed?
- If another entity is named, is it clear that the securities products are offered by AIC?

Avoid the following:

- Use of promissory headlines or statements;
- Failure to adequately disclose risks;
- Performance projections for a particular investment or strategy;
- Misleading charts or graphs.

Q&A Reference:

Q: How does the NASD view seminars? Are they considered advertisements or sales literature?

A: Seminar scripts, handouts, slides, or other visual presentations are deemed to be sales literature under NASD Conduct Rule 2210(a)(2). As such, these items must comply with the approval, recordkeeping, and filing requirements of the rule in addition to the content standards.

The content of the advertisements and your remarks at the seminar (even if they are made without the aide of a script, outline, or notes) must adhere to the general and specific standards for communications included in the Rule. For example, the content must be accurate and must provide sufficient information for the attendees to evaluate the facts with respect to the securities products or services discussed.

If you advertise for the seminar or use a script, outline, slides or handouts, you must provide these materials to AIC's compliance department for approval prior to their use.

Q: Does the NASD prohibit projections from third parties about general economic conditions?

A: NASD firms may include reasonable forecasts of general economic conditions in their communications with the public, provided they are clearly labeled as such and provided that sufficient information is included enabling the reader to understand and evaluate the forecast. For example, the communication would have to disclose the material assumptions used in arriving at a forecast and disclose the inherent uncertainty of such projections. Projections of investment results are strictly prohibited.