

**MEMO# 30652**

March 27, 2017

# **ICI Submits Comment Letter on Proposed Amendments to FINRA Rule 2210**

[30652]

March 27, 2017 TO: ICI Members SUBJECTS: Advertising  
Compliance  
Disclosure  
Distribution

Investment Advisers RE: ICI Submits Comment Letter on Proposed Amendments to FINRA Rule 2210

FINRA has issued a Regulatory Notice requesting comment on proposed amendments to Rule 2210 (Communications with the Public).[\[1\]](#) Notwithstanding the rule's general prohibition on communications that predict or project performance, the proposed amendments would permit investment planning illustrations that include the projected performance of an asset allocation or other investment strategy (but not an individual security), subject to specified conditions.[\[2\]](#)

ICI's comment letter (attached below) supports FINRA's proposal. If adopted, it would permit FINRA member firms to provide their customers with investment planning illustrations, which could help inform customers' investment decision-making. In addition, we recommend that the proposal be enhanced further by: (i) removing the "customization" requirement; and (ii) providing guidance regarding the precise scope of the proposed and existing exceptions to the rule's general prohibition on projections, so that members can put them to wider and better use (e.g., in educational materials).

Matthew Thornton  
Assistant General Counsel

[Attachment](#)

**endnotes**

[1] *FINRA Requests Comment on Proposed Amendments to Rules Governing Communications with the Public*, FINRA Regulatory Notice 17-06 (February 2017), available at: [www.finra.org/sites/default/files/notice\\_doc\\_file\\_ref/Regulatory-Notice-17-06.pdf](http://www.finra.org/sites/default/files/notice_doc_file_ref/Regulatory-Notice-17-06.pdf). See Institute [Memorandum No. 30584](#), dated February 16, 2017, for a more detailed summary of the proposal.

[2] Specifically, the illustration would require a “reasonable basis” and certain disclosures, and would be subject to supervisory requirements.

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