## Orical LLC September 9, 2025

Marketing Rule Violations Still Going Strong!

# Marketing Rule Violations Continue

The SEC’s enforcement focus on adviser marketing remains strong. Last week, a registered investment adviser was sanctioned for statements on its website that the agency found to be misleading.

# What happened:

In an administrative action dated September 4, 2025, the SEC found the registered investment adviser violated the Marketing Rule by claiming on its public website that it “refuse[d] all conflicts of interest.” This was inconsistent with the investment adviser’s own Form ADV Part 2A Brochure, in which the firm disclosed that certain of its investment adviser representatives were also licensed insurance agents affiliated with a related insurance firm, and could earn commissions from insurance products, an inherent conflict of interest.

# Why it matters:

This was more than imprecise language. Under Rule 206(4)-1(a)(2), advisers may not make material statements in advertisements without a reasonable, verifiable basis. Because the website qualified as an “advertisement,” the investment adviser was required to substantiate its claim but failed to do so.

# Books & Records Reminder:

The SEC also found the registered investment adviser failed to maintain accurate copies of its published advertisements, separately violating Advisers Act Section 204 and Rule 204-2.

# Takeaways for Clients:

Even a single unqualified statement, however well-intentioned, can trigger enforcement. This action underscores the importance of reviewing marketing materials for accuracy, consistency with Form ADV, and proper record keeping.

[***Read More Here***](https://www.sec.gov/enforcement-litigation/administrative-proceedings/ia-6916-s#%3A%7E%3Atext%3DSeptember%204%2C%202025%20%E2%80%93%20The%20Securities%2CAdvisers%20Act%E2%80%9D)%20concerning%20marketing%2C)

# About Orical:

Orical is an industry leading regulatory and compliance consulting firm run by investment management attorneys and former in-house C-Suite officers at top level investment advisers. For 15 years, Orical has built a reputation of providing practical advice and business friendly solutions to complicated compliance and operational requirements.