

**RULE EIGHT
ADVERTISING AND COMMUNICATIONS**

**Section 8001 - 8050
Advertising
(05.11.80, 01.04.82, 03.09.08)**

8001 Definitions
(05.11.80, 27.04.82, 29.05.02, 03.09.08)

For the purposes of the present Rule:

"**advertisement(s) or advertising**" includes television or radio commercials or commentaries, newspaper and magazine advertisements or commentaries, and any published material including materials disseminated or made available electronically promoting the business of an approved participant or an approved person.

"**sales literature**" includes any written or electronic communication, other than advertisements and correspondence, distributed to or made generally available to a client or potential client including a recommendation with respect to a security or trading strategy. Sales literature includes but is not limited to records, videotapes and similar material, market letters, research reports, circulars, promotional seminar text, telemarketing scripts and reprints or excerpts of any other sales literature or published material, but does not include preliminary or final prospectuses.

"**correspondence**" means any written or electronic business related communication prepared for delivery to a single current or prospective client, and not for dissemination to multiple clients or to the general public.

"**trading strategy**" means a broad general approach to investments including matters such as the use of specific products, leverage, frequency of trading or a method of selecting particular investments but does not include specific trade or sectorial weighting recommendations.

8002 Guidelines
(01.03.82, 29.05.02, 03.09.08)

An approved participant or approved person must not issue or send to the public, participate in or knowingly allow its name to be used in respect of any advertisement, sales literature or correspondence in connection with its or his or her business which:

- a) contains any untrue statement or omission of a material fact or is otherwise false or misleading;
- b) contains an unjustified promise of specific results;
- c) uses unrepresentative statistics to suggest unwarranted or exaggerated conclusions, or fails to identify the material assumptions made in arriving at these conclusions;
- d) contains any opinion or forecast of future events, which is not clearly labeled as such;
- e) fails to fairly present the potential risks to the client;

- f) is detrimental to the interests of the public, the Bourse or its approved participants; or
- g) does not comply with any applicable legislation or the guidelines, policies or directives of any regulatory authority having jurisdiction.

8003 Policies and Procedures

(03.09.08)

Each approved participant must develop written policies and procedures that are appropriate for the approved participant's size, structure, business and clients for the review and supervision of advertisements, sales literature and correspondence relating to its business. All such policies and procedures must be approved by the self-regulatory organization having jurisdiction over the approved participant.

The policies and procedures referred to in the preceding paragraph may provide that the review and supervision of advertisements, sales literature and correspondence will be done by pre-use approval, post use review or post use sampling, as appropriate to the type of material. However, the following types of advertisements, sales literature or correspondence must be approved prior to publication or use by a partner, director, officer or branch manager of the approved participant who is designated to approve such material:

- a) research reports;
- b) market letters;
- c) telemarketing scripts;
- d) promotional seminar texts (not including educational seminar texts);
- e) original advertisements;
- f) original template advertisements; and
- g) any material used to solicit clients that contains performance reports or summaries.

Where the policies and procedures of the approved participant do not require the approval of advertisements, sales literature or correspondence prior to being issued, the approved participant must include provisions for the education and training of registered and approved persons as to the approved participant's policies and procedures governing such materials as well as follow-ups to ensure that such policies and procedures are implemented and adhered to.

Copies of all advertisements, sales literature and correspondence and all records of supervision under the policies and procedures required by the present article must be retained and be readily available for examination by the Bourse. All advertisements, sales literature and related documents must be retained for a period of two (2) years from their date of creation and all correspondence and related documents must be retained for a period of five (5) years from their date of creation.

8004 Designation of Securities

(03.09.08)

When an approved participant issues written recommendations on the purchase of any exchange listed non-voting shares, subordinate voting shares or restricted voting shares, he must designate these shares as such therein, and these shares must not be described as "common".

8005 Failure to Comply

(03.09.08)

The Bourse, an approved participant or an approved person may, in accordance with the procedure provided in the Rules and, more particularly in articles 4101 and following, file a complaint against an approved participant or approved person, charging them with having contravened the above-mentioned guidelines.

Section 8025 - 8050
Identification of an approved participant
(26.06.03)

8025 Ownership of Trade Name
(26.06.03)

All business carried on by an approved participant or by any person on its behalf must be in the name of the approved participant or a business or trade name owned by the approved participant, an approved person in respect of the approved participant or an affiliated corporation of either one of them.

8026 Approval of Trade Name
(26.06.03)

A business or a trade name is considered own by an approved participant when the approved participant has given its prior written consent for its uses and that the business or trade name does not contravene to any laws in Quebec and Canada regarding the legal publicity.

8027 Notification of Trade Name
(26.06.03)

Prior to the use of any business or trade name other than the approved participant's legal name, the approved participant must notify the Bourse.

8028 Transfer of Trade Name
(26.06.03)

Prior to the transfer of a business or trade name to another approved participant, the approved participant must notify the Bourse and comply with the laws in Quebec and Canada regarding the legal publicity.

8029 Single Use of Trade Name
(26.06.03)

No approved participant or approved person must use any business or trade name that is used by any other approved participant unless the relationship with such other approved participant is that of an introducing/carrying broker arrangement pursuant to article 7470 or unless approved participants are related firms or affiliated corporations.

8030 Legal Name
(26.06.03)

All written agreements with clients must be entered into in the approved participant's full legal name.

8031 Trade Name to Accompany Legal Name of an Approved participant
(26.06.03)

A business or trade name used by an approved participant or an approved person may accompany, but not replace, the legal name of the approved participant on material that is used to communicate with the public. The approved participant's legal name must be at least equal in size to the business or trade name used. The "material" used to communicate with the public include, but is not limited to, the following:

- letterhead;
- business cards;
- invoices;
- trade confirmations;
- monthly statements;
- websites;
- research reports;
- advertisement.

8032 Misleading Trade Names
(26.06.03)

No approved participant or approved person must use any business or trade name that is deceptive or misleading.

8033 Prohibition on Use of Trade Name
(26.06.03)

The Bourse may prohibit an approved participant or approved person from using a business or trade name that is contrary to the Rules of the Bourse