

## **RCA – January 1995 – Ask The Analyst – Minimum Type Size**

**Q:** Is there a minimum type size for the text of advertisements and sales literature?

**A :** Members should clearly and legibly communicate information that is important to an investor's decision whether to invest. Members should not rely on footnotes to balance a presentation. Instead, important information such as risk factors or costs of an investment should appear on or near the relevant section of the communication. In addition, members should avoid overly technical explanations or caveats, as these may do more harm than good. See Article III, Section 35(d)(1)(D) of the Rules of Fair Practice for more information about these requirements. Although there is no universal type-size rule, investment company communications subject to SEC Rule 482 are required to be in at least 8-point type. However, even in a Rule 482 communication, members may need to use a larger size type to assure that a presentation is fair and not misleading.