



## **FOR IMMEDIATE RELEASE**

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### **3PM Applauds SEC Revised Rule 206-4-5 Addressing “Pay-to-Play” Practices**

*Association’s Grassroots Effort Helped to Eliminate Ban on Legitimate Third Party Marketers*

**PRINCETON JUNCTION, NJ – July 15, 2010** – The Third Party Marketers Association, Inc. (3PM) applauded the Securities Exchange Commission (SEC) on their adoption of 206-4-5, a new rule that was created to curb “pay-to-play” practices. This ruling stopped short of including an earlier proposal to completely ban fund managers from using placement agents to market their offerings to public pension funds.

For over a year, 3PM mobilized its members to contribute comment letters to the SEC to persuade the governing body to modify language regarding the placement agent ban. In its own comment letter, 3PM stated, “a general ban on the use of legitimate placement agents and other third party intermediaries is an unreasonable and unjustified response that affects an entire industry segment as a result of the improper and illegal misconduct of a few.”

3PM followed through with a grassroots outreach initiative to encourage all major stakeholders in the industry including institutional investors, consultants, managers of manager programs, investment advisers, with a particular emphasis on emerging, minority and woman-owned firms, as well as industry service providers to voice their support for third party marketers. The association also recently introduced a “Principles and Best Practices Guide” to hold its members to a high ethical level and has revised its own membership criteria to include more evidence of proper compliance.

“Members of our association spoke with a strong voice over the past year—legitimate third party marketers provide a necessary and valuable service to our industry,” said Stacy Havener, 3PM President. “The ban would have greatly disadvantaged emerging and boutique firms and would have introduced more inefficiencies into the system. We applaud the SEC for their decision and support the effort to curb the truly unethical activities by a very small unprofessional element in our industry.”

Formed in 1998, 3PM provides a forum for third party marketers to network and discuss issues affecting their businesses and the investment management arena. The association pursues ongoing agendas in the areas of regulatory compliance and recommends adherence to the highest standards and best practices followed throughout the financial services industry. The association has been widely credited with enhancing the business practices of third party marketers worldwide.

For more information about 3PM, please visit [www.3PM.org](http://www.3PM.org), or contact Kaitlin Friedmann at [kfriedmann@cmasolutions.com](mailto:kfriedmann@cmasolutions.com) or 609-297-2215.

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**About the Third Party Marketers Association, Inc. (3PM)**

3PM is a professional association with more than 75 member organizations that assist in increasing institutional assets for their diverse following of investment manager clients. The organization's goals are to cultivate relationships and business opportunities among members and to provide information and education about the industry. In addition, 3PM also aims to enhance professional standards and integrity by advancing best practices throughout the financial services industry. More information is available at [www.3pm.org](http://www.3pm.org).