

Finfluencers Under Fire: Canadian Securities Regulators Issue New Guidance and Signal Potential Enforcement against Influencer Activity

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On December 11, 2025, the Canadian Securities Administrators (CSA) and the Canadian Investment Regulatory Organization (CIRO) (together the Securities Regulators) published [Joint Staff Notice 31-369](#) (the Staff Notice) which aims to provide guidance on how Canadian securities laws can intersect with the rising trend of social media financial influencers (known colloquially as “finfluencers”).

The Staff Notice is the latest example of Canadian Securities Regulators taking an interest in influencer activity. Earlier this year, our group published [an update](#) highlighting a recent report on influencers by the Ontario Securities Commission as well as recent enforcement actions taken against influencers by the Alberta and British Columbia securities commissions. Above all, the Staff Notice should be seen as a caution to those involved that Securities Regulators are closely monitoring influencer activity and that the consequences of acting contrary to securities laws may be serious.

Existing Laws with Broad Application

The Staff Notice represents guidance from Securities Regulators on the applicability of existing securities laws to the emerging trend of influencer activity. It is intended to educate the public as well as capital markets participants who may be involved in influencer activities.

Importantly, the Staff Notice does not represent new laws or regulations, but confirms that the laws currently on the books are flexible enough to apply to new technologies and activities that may not have been contemplated when they were first enacted. Among other things, the Staff Notice suggests that securities laws may apply to content put out by a computer-generated digital avatar or artificial intelligence agent that provides investing advice or promotes securities, with the creator of the digital influencer or AI agent being held responsible for securities law violations as if they had done them directly.

Registration and Disclosure

The Staff Notice focuses primarily on two potential requirements that may be imposed on influencers under

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applicable securities laws – registration and disclosure.

With respect to registration, the Staff Notice cautions that if an individual is giving advice or participating in trading activity for a “business purpose”, they must be registered to do so with the appropriate Securities Regulators. The Staff Notice warns that “advice” will be construed broadly and may include the use of certain emojis or promotional language such as “not to be missed” or “golden opportunity”. Similarly, “trading” may also include the facilitation of “copy-trading” (i.e., allowing others to automatically replicate one’s trades on a self-directed platform).

The Staff Notice notes that many influencers will be able to avail themselves of the “general advice” exemption to registration so long as the advice they provide is not tailored for a specific individual. The influencer, under the exemption, would then not be required to register as an advisor, but they still must disclose any interest – financial or otherwise – that they have in any security that they mention in connection to the advice.

Regardless of any exemption to registration, the Staff Notice stresses that influencers are also subject to a duty of disclosure with respect to any financial interest in the securities they promote. If a influencer is compensated by an issuer to promote their securities but fails to clearly and conspicuously disclose such interest, the influencer as well as the issuer may be subject to stiff penalties. The Staff Notice highlights the [Floreani](#) and [Stock Social](#) cases summarized in our previous article as examples of this.

The Staff Notice also provides some helpful guidance for influencers on meeting the standard of “clear and conspicuous” disclosure of a financial interest. Disclosure must be specific and not general (i.e., “I may have a financial interest” will not suffice) and must be presented in a straightforward, transparent, and easily noticeable way. The Staff Notice recommends that disclosures be made at the beginning of any applicable influencer communications. Disclosure will not be considered conspicuous if it comes at the end of a long video or post or if the reader is required to click through a link to access the disclosure.

Other Securities Law Concerns

The Staff Notice further cautions that influencers should be cognizant that their activities could constitute misrepresentations or market manipulation contrary to securities laws, even where registration is not required. As such, it is important for influencers to ensure they are complying with all regulatory and disclosure requirements even if the general advice exemption applies.

Influencer communications containing false or misleading statements likely to influence decisions or materially alter the value of the security may attract liability for misrepresentation. The Staff Notice further cautions against influencers being unwitting participants to “pump and dump” and other manipulative or deceptive schemes which would run contrary to securities laws.

Guidance for Registrants and Issuers Engaging with Finfluencers

The Staff Notice also contains guidance for registrants and issuers who may engage with finfluencers to help promote their services and securities. Registered firms should be aware that they may be held liable for statements made by finfluencers on their behalf. Engagements with influencers fall within the requirements of [National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations](#) and require careful consideration to related conflicts of interest and CIRO rules.

The Staff Notice specifically cautions order-execution-only (or OEO) dealers against the risk of indirectly making recommendations to clients or facilitating unregistered activity through referral arrangements with finfluencers. Linking to or hosting third party finfluencer content as well as facilitating “copy-trading” are flagged as activity that may give rise to such risks.

For issuers, the Staff Notice notes that issuers may be held responsible for any failure by a finfluencer to properly disclose financial interests in the promotion of the issuer’s securities. Similarly, any discrepancies between finfluencer communications made on behalf of an issuer, and that issuer’s continuous disclosure record, may give rise to securities law violations. The CSA has provided additional details in the [CSA Staff Notice 51-348 Staff Review of Social Media used by Reporting Issuers](#), which highlights the importance of ensuring that any content shared on social media be consistent with the issuer’s continuous disclosure record. To mitigate these risks, Staff Notice encourages issuers who work with finfluencers to take proactive steps to ensure that proper disclosure of financial interests are made in their communications as well as to ensure their content is accurate and consistent with the issuer’s public disclosure.

What Comes Next?

The Staff Notice begins and ends on the same ominous note – Securities Regulators are closely watching finfluencers’ online activities and will be prepared to take appropriate action to address non-compliance with securities laws in order to protect the public interest. Finfluencers, registrants, and issuers should all proceed cautiously, and with the benefit of legal advice, as the regulators’ approach to monitoring and enforcement of such activity continues to take shape.

Cassels will continue to monitor developments in this area to best advise clients navigating finfluencer relationships. If you have any questions or concerns about how you might be affected, please contact a member of our [Securities Litigation Group](#).