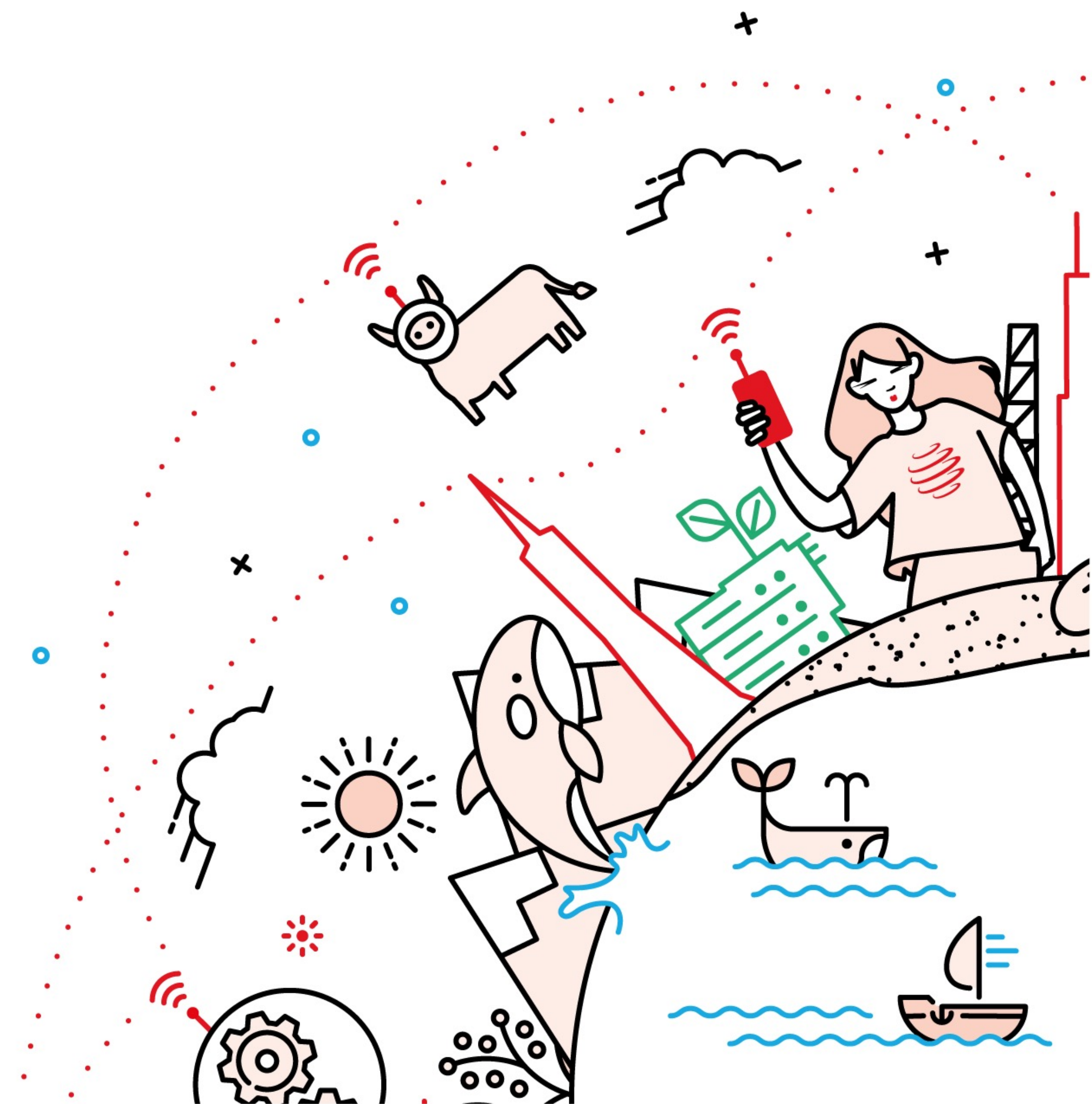


The Compliance Officer's Guide to Social Media Archiving & Supervision





Agenda

SEC & FINRA Rules Governing Social Media Retention & Supervision

Enforcement Actions for Failing to Preserve Social Media Data

Compliance & Policy Refinement Strategies for Social Media Platforms

How Social Media Archiving & Supervision Works (with product demo)



Speakers



Chip Jones
Executive Vice President,
Compliance



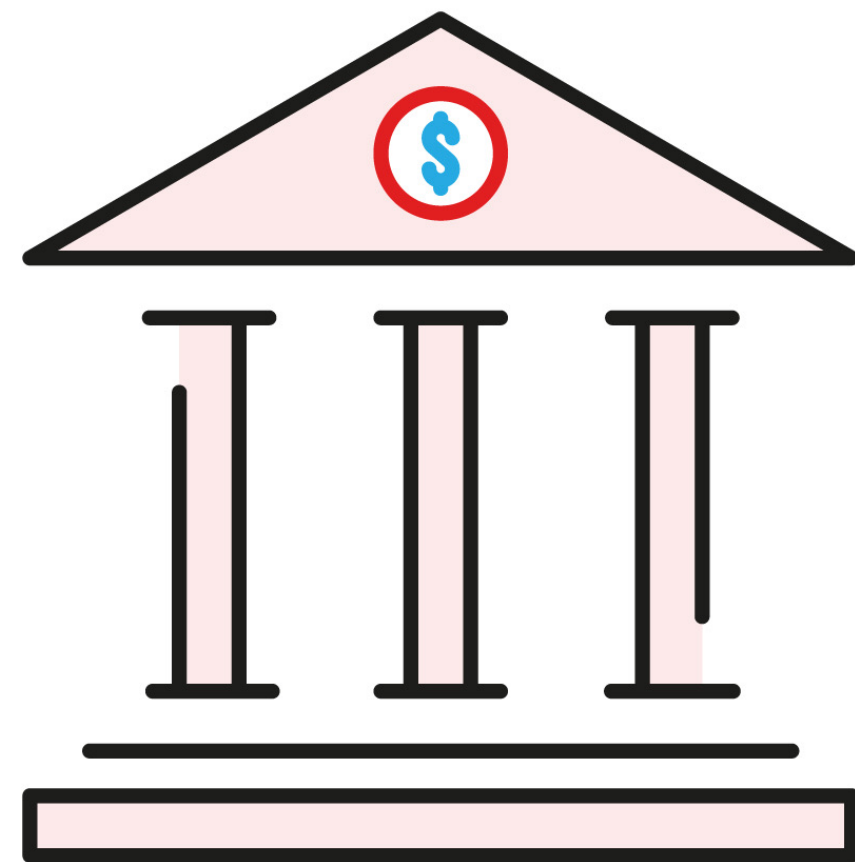
Donald McElligott
VP, Compliance Supervision



Jill Lee
Moderator & Message Community
Specialist



Rules pertaining to Social Media use by Broker-Dealers



SEC Rules pertaining to Social Media use by Broker-Dealers

Securities Exchange Act of 1934 (SEA)

- Rule 17a-3
- Rule 17a-4

FINRA Rules pertaining to Social Media use by Broker-Dealers

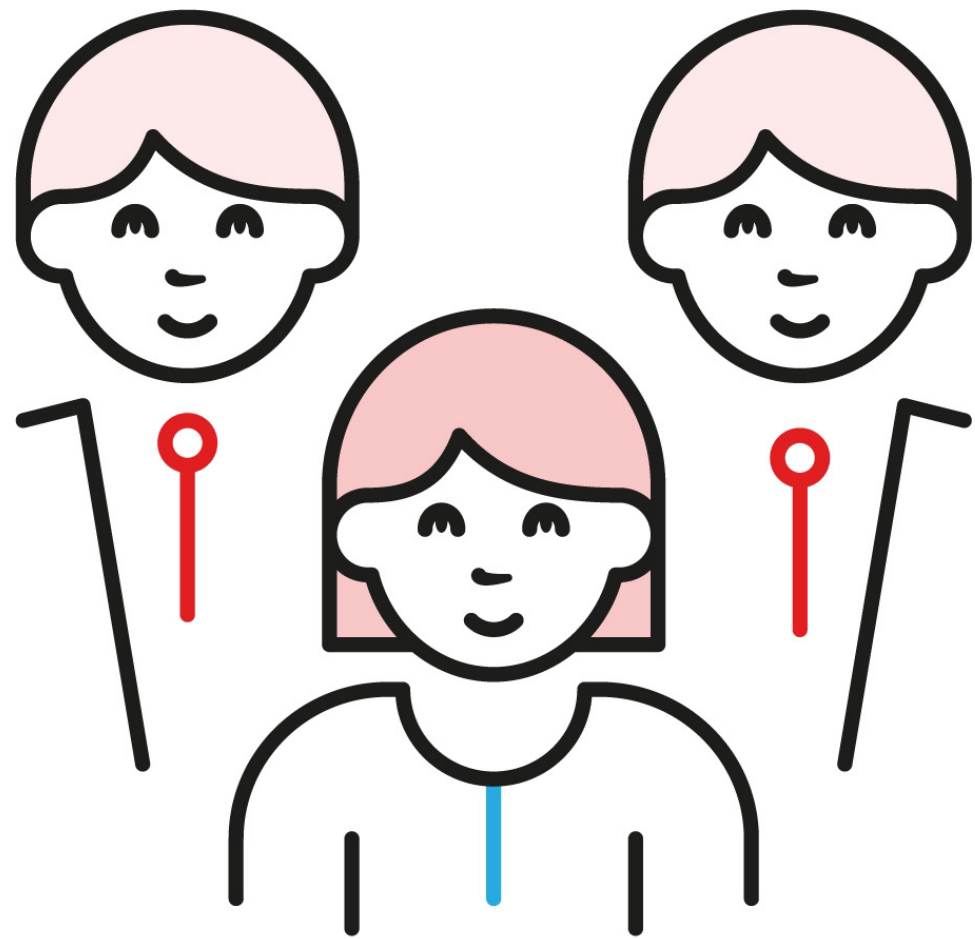
- FINRA Rule 2210 – Communications with the Public
- FINRA Rule 4511 – General Requirements



SEC Rules pertaining to Social Media use by Investment Advisers

Investment Advisers Act of 1940

- Rule 204-2





FINRA Enforcement Cases pertaining to Social Media

FINRA Small Firm – 2015

Censured and Fined \$20K

Firm permitted RR's to use social media to communicate with customers without the ability to preserve and supervise this activity

FINRA Small Firm – 2017

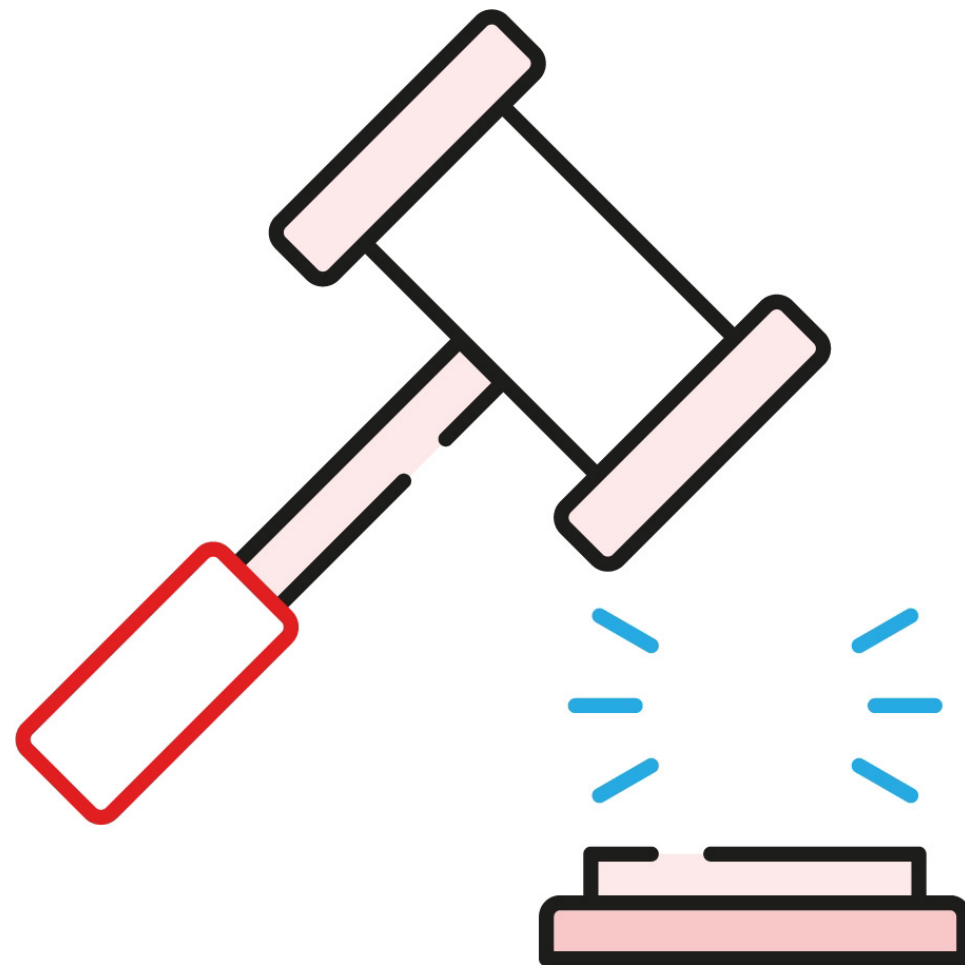
Censured and Fined \$35K

Firm failed to approve and supervise RR's social media accounts

FINRA Large Firm – 2015

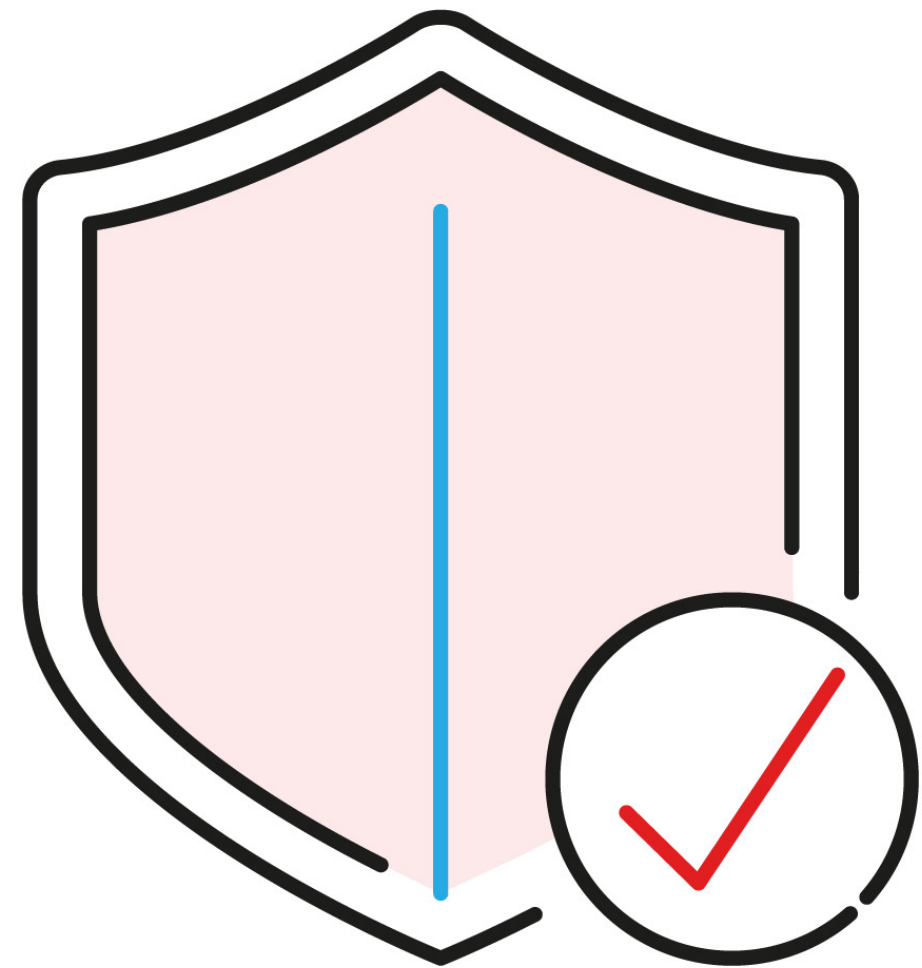
Censured and Fined \$2.6M

An extensive settlement order that included failure to retain a substantial number of business records in Write-Once/Read-Many (WORM) format including social media advertisements and communications





Compliance & Policy Refinement Strategies for Social Media Platforms



Know your Vendor

Not all solutions are complete



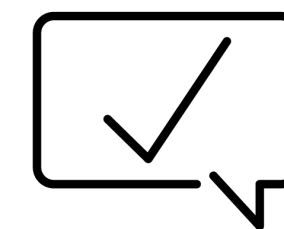
Educate your Team

They must cooperate



Review your Lexicon

New platform, new language



Capture Feedback

Your reviewers know best

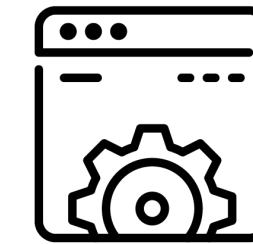
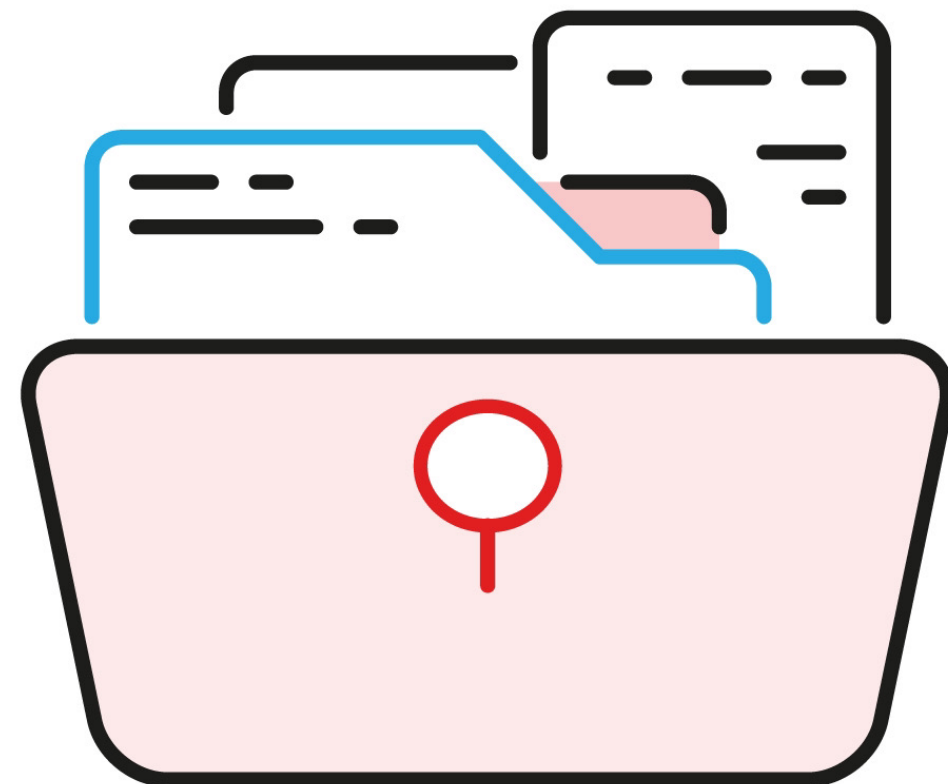


Consider Dedicated Policy

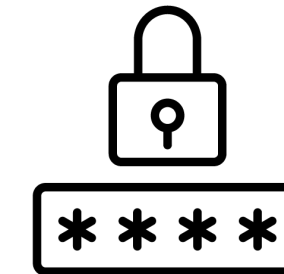
Pros and cons



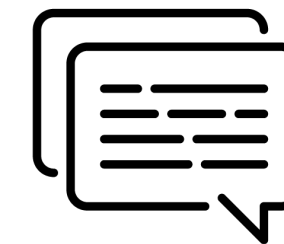
How Social Media Archiving & Supervision Works



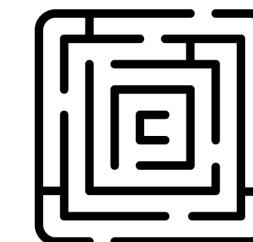
Using APIs to capture content



Authentication methods will vary



Platforms have multiple message sub-types



Keeping pace is a challenge



Demo

Thank You

globalrelay.com

