

**MEMO# 30688**

May 1, 2017

## **FINRA Issues Guidance on Social Media and Digital Communications**

[30688]

May 1, 2017 TO: ICI Members SUBJECTS: Advertising  
Compliance

Disclosure

Distribution

Investment Advisers RE: FINRA Issues Guidance on Social Media and Digital  
Communications

FINRA has issued a Regulatory Notice offering guidance on social networking websites and business communications.<sup>[1]</sup> FINRA has addressed this general topic on at least two prior occasions,<sup>[2]</sup> focusing on issues such as recordkeeping and how FINRA Rule 2210 applies to certain communications (e.g., third-party posts and links to third-party sites).

FINRA states that this latest guidance is not intended to alter the principles or guidance provided in the prior Regulatory Notices. After summarizing its prior guidance, FINRA provides new guidance on text messaging, personal communications, hyperlinks and sharing, native advertising,<sup>[3]</sup> testimonials and endorsements, corrections on third-party content, and BrokerCheck in a Q&A format.

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### **endnotes**

<sup>[1]</sup> *Guidance on Social Networking Websites and Business Communications*, FINRA Regulatory Notice 17-18 (April 2017) (the “Notice”), available at: [www.finra.org/sites/default/files/notice\\_doc\\_file\\_ref/Regulatory-Notice-17-18.pdf](http://www.finra.org/sites/default/files/notice_doc_file_ref/Regulatory-Notice-17-18.pdf).

<sup>[2]</sup> *Guidance on Blogs and Social Networking Web Sites*, FINRA Regulatory Notice 10-06 (January 2010), available at [www.finra.org/sites/default/files/NoticeDocument/p120779.pdf](http://www.finra.org/sites/default/files/NoticeDocument/p120779.pdf); and *Guidance on Social Networking Websites and Business Communications*, FINRA Regulatory Notice 11-39 (August 2011), available at

[www.finra.org/sites/default/files/NoticeDocument/p124186.pdf](http://www.finra.org/sites/default/files/NoticeDocument/p124186.pdf).

[3] The FTC describes native advertising as “content that bears a similarity to the news, feature articles, product reviews, entertainment, and other material that surrounds it online.”

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