



**Social**FinServ

# Social Media and Communications Policy Template

Since social media policies work in conjunction with a firm's marketing and advertising policies, as well as with its electronic communications and client correspondence, all of these policy elements have been cohesively combined together in this essential and convenient template.

# Policy Ownership

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## Who is Responsible

*At the core of any successfully implemented and maintained policy is an owner. Like a well-crafted job description that leads to finding suitable talent for an open position, a properly conceived policy-owner description is vital to successfully launching and maintaining a firm's policies. Responsibility for the policy and procedures need to be designated to an owner and defined. In this template the Chief Compliance Officer (CCO) is given full responsibility for all policies and procedures. The roles and duties of the CCO are described, and the ownership standards and procedures are clarified.*

Policy:

The Chief Compliance Officer (CCO) is responsible for maintaining the social media, marketing and advertising policies of the firm, including the review, monitoring, enforcement and any modifications and improvements to the policies and procedures.

Before any marketing materials are released for publication or distribution they must be reviewed and approved by the CCO. Only licensed investment advisors are responsible for reviewing and approving materials and advertising and must receive final approval by CCO.

Policy continued:

The CCO is responsible for maintaining and retaining all marketing materials, including the following:

- Created marketing material
- Documentation
- Recipients list
- Support documents for any claims, facts or information presented
- Additional requirements

Client correspondence review and approval is the responsibility of the CCO. When sending correspondence to clients or potential clients, supervised persons must ensure comments do not contradict the parameters of the policy.

Supervised persons not approved as investment advisor representatives are not allowed to provide any recommendations or investment advice, provide any commentary on a client's account, on overall performance, include any other language that may be construed by the client or potential client or regulators as providing investment advice. Supervised persons must ensure all correspondence received from or sent to a client or potential client is maintained as part of the firm's books and records.

The CCO is responsible for conducting training to ensure all supervised persons are aware of, understand and follow the firm's policies and procedures. S/he is responsible for implementing, monitoring and periodically testing the policies and procedures.

# Social Media

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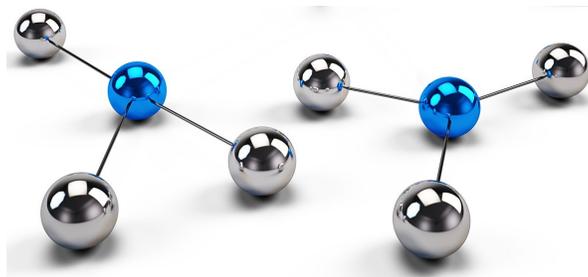
## Social Media Platforms

*There are a growing number of popular social media platforms. However, running an effective social media program necessitates choosing a limited number of them because the platforms have varying functionality that must be considered and managed to meet regulation. In the case of LinkedIn, endorsements and testimonials are a part of functionality, which need to be managed appropriately to be compliant. In our template we selected LinkedIn, Twitter and Facebook.*

Policy:

The following social media websites are used to contact clients or for other business purposes. No other social media platforms are permitted:

- LinkedIn
- Twitter
- Facebook



## Technology Filters

*To prevent inadvertent regulatory violations, technology is deployed to prevent the usage and publishing of particular “don’t” words like “promise, guarantee” or the mention of specific investments*

Policy:

When using the permitted social media platforms, technology filters shall be set to block mentions of specific investment products or services, funds, stock ticker symbols and assurances such as “guaranteed” or “free.”

## Monitoring

*All approved users need to be aware that all communications are monitored and recorded to ensure policy adherence. The monitoring allows the firm to immediately flag and then address issues promptly.*

Policy:

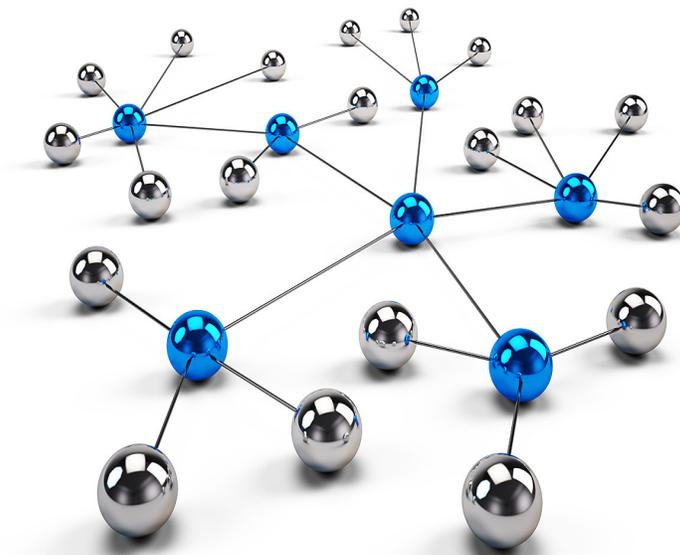
All communications on social media websites are monitored. Periodic reviews are conducted to ensure all supervised persons are adhering to company policies and procedures. Posted content is monitored and, if contentious, will be flagged for review and responded to promptly in the event of an issue.

## Content Approval

*Like content created for marketing or advertising, so too must social media content get reviewed and approved. Technology plays an important role in keeping the process of messaging and content approval safe yet efficient. Collaborative workflow technology automates the process of accessing content from a pre-approved library. A user also has the ability to create his/her own content for fast review and approval.*

Policy:

Content review and approval workflow procedures apply to all users. No content shall be posted without proper approval. A pre-approved content library is provided to all approved users.



## Platform Standards and Procedures

*Due to SEC standards and the functionality of particular social media platforms, the standards below and on the next page are recommended.*

Policy:

Social media postings shall not make any untrue statements or any statements that are otherwise false or misleading.

Using social media for inappropriate purposes, in violation of copyright infringement laws, for communicating offensive material, or to defame or slander others is prohibited.

No confidential or private information shall be shared.

Company management will have access to any social media account that is used for business purposes, including employees' personal accounts if they are used for any business purposes.

Publication or posting of any client testimonials is prohibited.

Showing recommendations on LinkedIn page is prohibited.

Testimonials or third-party advertisements that attest to advisors' performance are prohibited.

## Personal Platforms

*Under SEC regulations, personal platforms used for communicating with clients and prospects must be monitored and all communications must be archived and accessible. Technology must be applied to personal accounts used for business purposes.*

Policy:

The company uses specialized technology to supervise and monitor social networking sites and to document all client communications. Employees using personal social media accounts for business use must use any company mandated technology to ensure regulatory requirements are met.

All communications on social media platforms are preserved in accordance with the electronic communications policy.

## Employee Training

*Before employees are approved to use social media for business purposes, they should receive company training and be tested.*

Policy:

Employee Training Program – An internal training program has been established for employees' use (both personal and business-related) of social media websites.

# Traditional and Digital Marketing, Advertising and Correspondence

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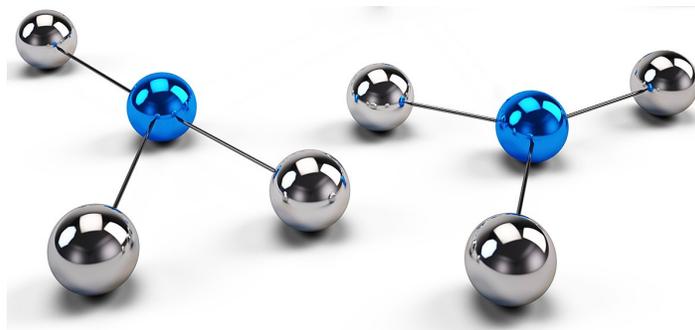
## Communications

*Listing the types and methods of communications is good to include in a policy to eliminate the risk of misunderstandings.*

Policy:

Our company uses the following communications methods to market our services:

- Newsletters
- Article reprints
- Case studies and white papers
- Brochures and collateral materials
- Paid advertisements on radio and television
- Social networking websites



## Practice Audits

*Confirmation of policy in practice is necessary to ensure policy adherence. Clarifying the responsible party and the compliance procedure, in the case below undoubtedly holds the CCO responsible for the policy in place and its compliance.*

Policy:

At least [monthly, quarterly], the CCO will conduct a review of the advertisements and marketing communications issued during the previous quarter. Actual placements and uses will be cross-checked to verify the review process was applied and only pre-approved language was used. An annual evaluation and assessment of the review and approval process will be completed by the CCO.

## Communication Standards

*Defining the principles of communications and language standards reduces the risk of creating unacceptable communications. It also reinforces principles of conduct that are important to the firm and how it operates.*

Policy:

The CCO will review all marketing and communications creations to ensure consistency with company policy and regulatory requirements. The following standards will apply to marketing communication creations:

- Shall not contain any untrue statements of material facts that are false or misleading
- Shall not contain any guarantees (or promise) or any language that can be viewed as a guarantee
- Statements, graphs, charts or infographics must be fully supported, sourced and documented
- Opinions must clearly indicate the statement is an opinion or assumption and not presented as a fact
- Shall not include “absolute” language that cannot be proven
- Shall not refer, directly or indirectly, to a testimonial of any kind concerning company or any advice, analysis, report or other service it provides. Any form of endorsement regarding the advisor’s service or performance are considered testimonials

Shall not refer to past specific profitable recommendations, either directly or indirectly, unless specific conditions are met, to ensure objectivity and it is not misleading. The following standards apply:

- Application of consistent and objective, non-performance based criteria in selecting the securities
- Shall not include any realized or unrealized profits or losses
- Shall include additional cautionary disclosures
- Records are retained regarding all recommendations and supporting documents

Providing existing clients and investors with performance information about securities that are held or recently held by each recipient is permitted as long as the purpose of the communication is not to promote any advisory services.

Policy continued:

“Friending” a securities research analyst, tweeting an analyst’s Twitter handle, or retweeting an analyst tweet about the company could be construed as “adoption” and therefore is prohibited.

LinkedIn profiles shall be configured to eliminate “recommendations” and “endorsements” by removing or blocking the Skills and Expertise section of the profile. In the event a connection on LinkedIn attempts to add a new skill to a profile, the profile owner shall reject the endorsement. Advisors should not accept or request any recommendations on LinkedIn. In the profile summary section of LinkedIn shall include the following disclaimer: “Due to my profession’s ethical standards, I do not accept recommendations or endorsements.”

Facebook - Advisors with a business Facebook page are prohibited from accepting ratings or reviews. The advisor shall prevent star ratings by complying with the following procedure:

1. On your business page, go to the About section under the logo.
2. On the next page, hover over the About section and click “Edit.”
3. To the right of the Address section, click “Edit.”
4. Uncheck the box underneath the map that says “Show this map on your page and enable check-ins.”
5. Click “Save Changes.”

Please note that by doing so the map of the business location will not appear on the business page.

Non-adherence to these policies will result in the person being prohibited from using social media websites and may be subject to further disciplinary actions.

## Past Recommendations

*Disclosures should be used when references are made to past recommendations.*

Policy:

If communications reference past specific recommendations, then the following disclosure is required on the first page of the information in a typeface at least as large as the largest print text used in the document: "It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list."

## Advertising

*Define and apply advertising standards to reduce risk.*

Policy:

Advertising will not make any representations that can be construed by a client that the information can be used to decide which securities to buy or sell or when a client should buy or sell. Representation standards include:

- The SEC does not endorse or approve advisors, therefore it's prohibited to represent it in any form.
- Prohibited use of the "RIA" or "IA" after the company name or after the name of any investment advisor representative associated with it.
- Registered investment advisor will not be abbreviated "RIA" on any advertising material.

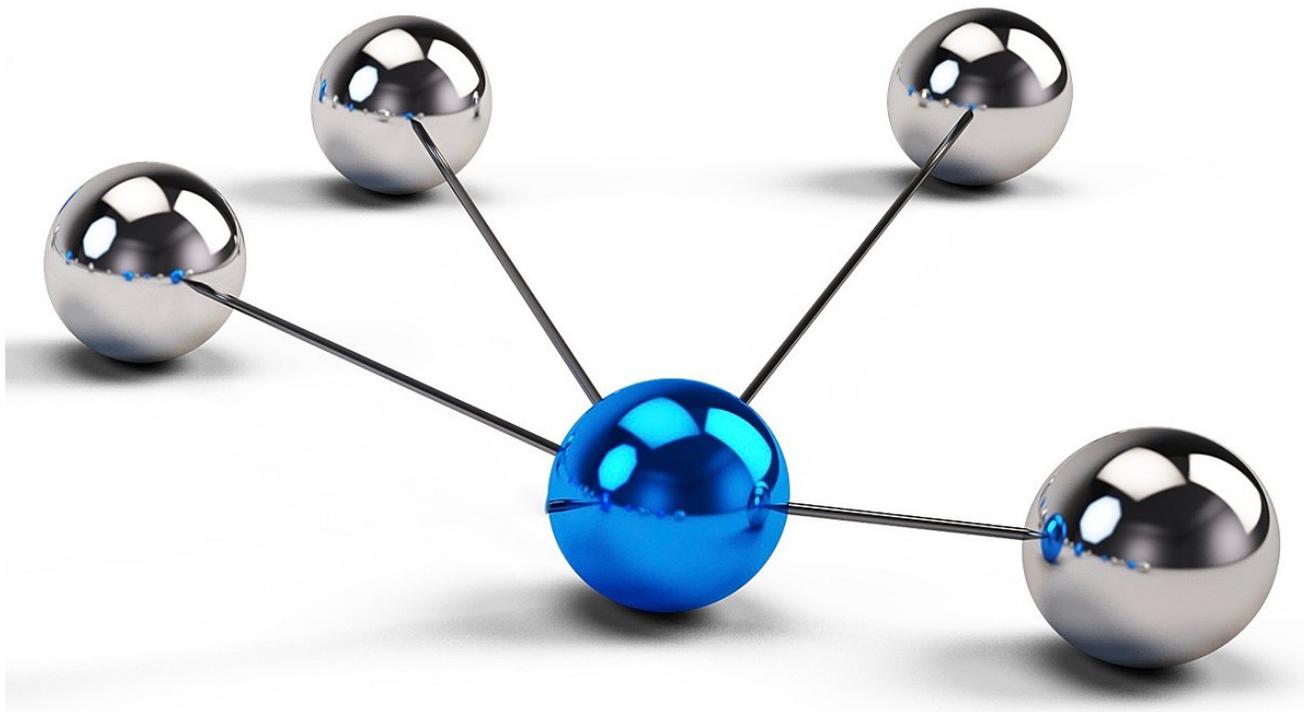
## Standards for Third-Party Sites

*The following rules must be observed by advisors regarding third-party sites that promote advisors.*

Policy:

Advisors are prohibited from linking to commentary on a third-party social media site unless they can demonstrate all three of the following:

1. Advisor has no ability to affect which public commentary is included or how the commentary is presented
2. Commentator's ability to comment is not restricted
3. All comments, both good and bad, can be viewed publicly



# Electronic Communications

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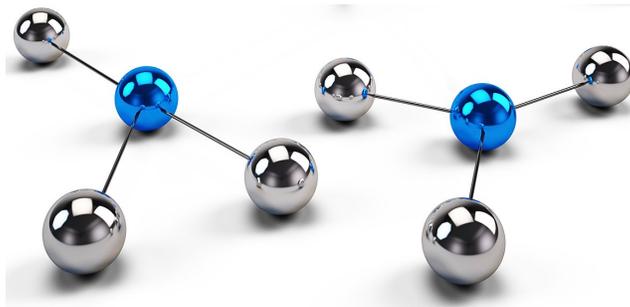
## Communications Archiving

*SEC regulates that all systems used for business need to have all communications documented and accessible, including all incoming and outgoing communications with clients.*

Policy:

The SEC shall have access to and review all communications sent to or from the firm, which includes messages from the firm's email system, or any other system. Due to regulation, personal use of the firm's email services is strongly discouraged. Sending business email messages from a personal email account or computer is prohibited.

Compliance system is in place to store and archive all incoming and outgoing business email including, but not limited to, all investment recommendations or advice, decisions, receipt, disbursement, delivery of funds or securities or the execution to buy or sell a security.



# SocialFinServ

We deliver on the three C's of social media outreach: Content, Compliance, and Collaboration. Our All-In-One solution has been designed specifically for financial services. We automatically provide a continuous supply of customized, compliant content to engage your clients, plus easy-to-use tools to manage outreach and measure ROI. And our program can be fully implemented in less than 30 days!

SocialFinServ, LLC  
30 Century Drive  
Stratford, CT 06615  
SocialFinServ.com

[CONTACT US](#)

