



## Steps to Meet Compliance Requirements in Business Communications

[Investment Advisers](#) continue to face the risk of penalties for non-compliance for adhering to the SEC rule of documenting all business communications regardless of the medium of communication.

As with many industries, COVID-19 brought about many changes to how advisers and investors communicate. As a fast-paced industry, speed and agility remains key, including in how advisers communicate with their clients. However, the SEC requires that all business-related communication is tagged and documented. For business owners, the challenge with this requirement is ten-fold. For example, recent technology trends and communication habits have made record-keeping even more challenging, such as the prevalent use of WhatsApp and similar messaging platforms, and the preferred convenience of text messaging over emails.

Here are the top concerns our clients have, and our recommendations on how to address them.

### Is the SEC only interested in adviser-client communications?

- The SEC requires that advisers document ALL business-related communications including internal discussions regarding a client or portfolio.

### How can I keep my advisers from using personal devices and platforms for business-related communications?

- Start at the top by educating key stakeholders and developing a culture of compliance.
- Establish robust Policies and Procedures.
- Implement mandated ongoing employee training.

### My client keeps texting or messaging me on my private device/ messaging platforms. What can I do to remain compliant?

- Educate your clients on the importance of keeping communications to business avenues such as only using your business email or company-issued mobile device number and reminding them to do so.
  - NOTE: This may be acceptable in the event that the firm has capabilities to capture communications sent to your private device.
- Take screenshots of the off-channel communications and email it to your work email address so that the firm has captured the business communication as part of its books and records.

### How can I control which messaging platforms are used to communicate?



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- Provide a list of approved platforms and provide clear policies on their use as well as reporting practices relating to business communications on those platforms.
- Train at onboarding and annually thereafter on how employees on the firm's require requirements for use and access of messaging platforms and the firm's requirements for monitoring of personal devices for business-related communications.

**Are there applications I can use to meet my record-keeping requirements?**

- There are applications that are used for archiving communication. In addition, some applications can be set to activate when key terms are used.

[Jacko Law Group](#) works with clients to meet challenging compliance requirements and applying practical solutions to meet the regulations set by the SEC.

If you have questions about your Business Communication compliance program, please give us a call at 619.298.2880 or email [info@jackolg.com](mailto:info@jackolg.com)