

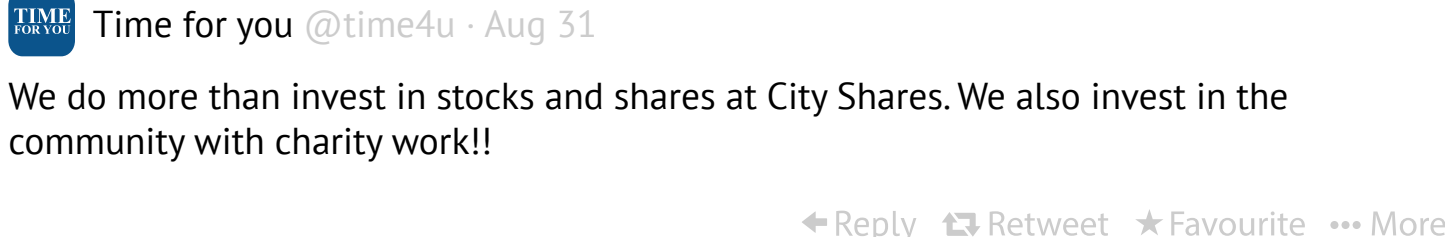
COMPLIANCE IS KING

FCA Guide to Compliance

Do you need to be compliant?

You need to be compliant when doing a financial promotion. Any form of communication (including through social media) is capable of being a financial promotion, depending on whether it includes an invitation or inducement to engage in financial activity.

Example of a non-promotional communication that focuses on non-regulated activities:



Example of a Financial promotion:



Social Media Guidance on Compliance

COMPLIANCE HEAVEN

Fair, clear and not misleading
Twitter example



It is important that it is clear that a promotion is a promotion. An accepted way to do this, for character-limited media, is the use of #ad.

To be fair and not misleading imply balance in how financial products and services are promoted. Consumers should be aware of the potential benefits but also of any relevant risks

Standalone Compliance Rotating Banner Example



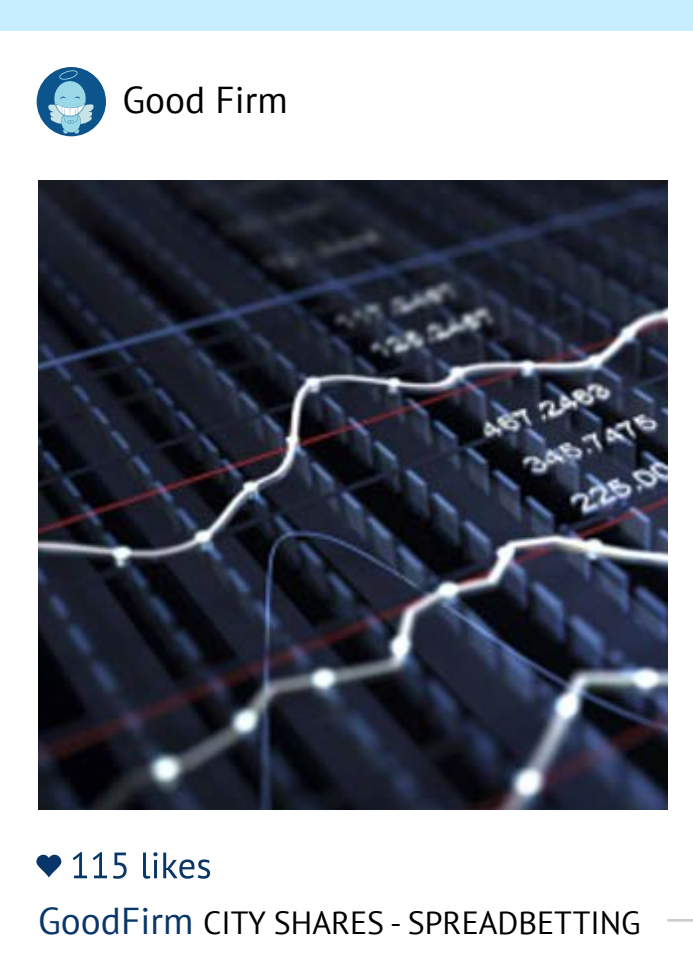
The risk warning is clear in the last frame of a dynamic banner

Risk Warning Twitter Example



This is compliant as the signposting wording does not create a financial promotion: it simply encourages the recipient to find out more. If using an image it must in itself be compliant. Where the financial promotion triggers a risk warning this cannot appear solely in the image.

Image Advertising Instagram Example



For investments, image advertising is exempt from most of the detailed financial promotions rules and guidance in COBS 4, but it will still need to comply with the high-level 'fair, clear and not misleading' rule

COMPLIANCE HELL

Fair, clear and not misleading
Twitter example



It does not clearly identify itself as a promotion.

Doesn't comply with the past performance rules as it makes the indication of past performance the most prominent feature.

The promotion lacks balance, as it over-emphasises the benefits and includes an inadequate risk warning

Standalone Compliance Rotating Banner Example



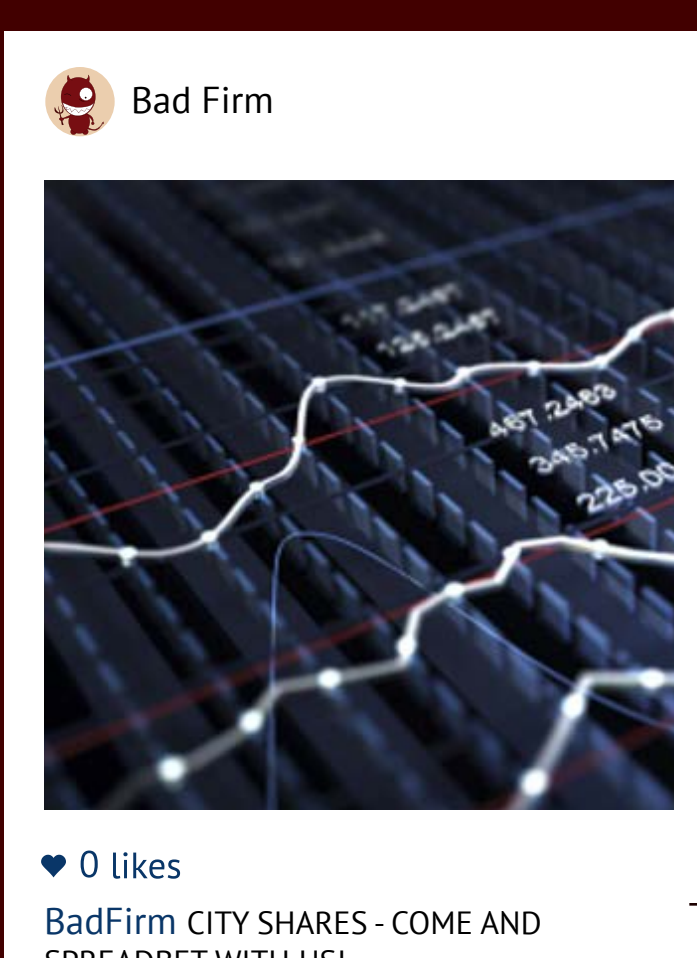
The risk warning is lost in surrounding text, which is also of much smaller font-size

Risk Warning Twitter Example



This is non-compliant as the element of inducement with the word 'great' creates a promotion that then requires a risk warning. You must include risk warnings or other statements in promotions for certain products/services. These rules are media-neutral and apply to social media

Image Advertising Instagram Example



This instagram image advert goes beyond the image with the words "come and spreadbet with us" and is non-compliant as it does not give a fair and prominent indication of the relevant risks

To learn more visit [The FCA's supervisory approach to financial promotions in social media](#)