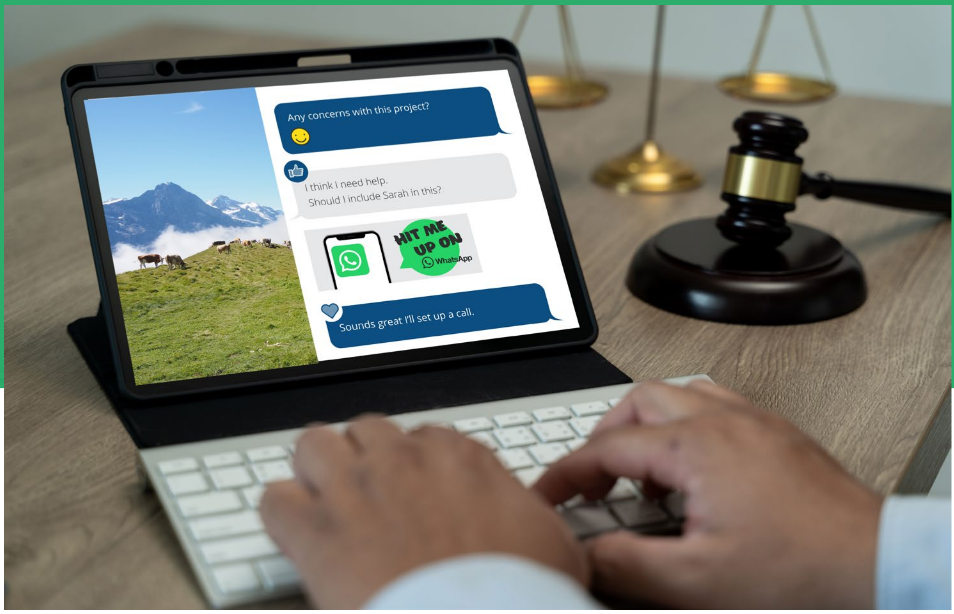

COMPLIANCE CONSIDERATIONS FOR VISUAL CONTENT IN CHAT

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SUBJECT

This brief sets out the compliance considerations that financial services firms should consider for using visual content in chat. It specifically relates to the capture, retention, and supervision of visual content within the chat capabilities of Unified Communications and Collaboration (UCC) tools.

It explains the visual content capabilities within chat, how they are used in practice and outlines the applicable regulations in the US, UK and Canada for capturing and supervising this content. Finally, we analyze a few use cases and how regulatory compliance mandates apply to those scenarios.

VISUAL CONTENT IN CHAT AND HOW IT IS USED

The chat capabilities of UCC platforms like Microsoft Teams, Zoom, Webex by Cisco, RingCentral, Google and Slack enable messages to be sent and received in real-time between individuals or groups. In addition to the written content of messages, these chats can include visual content such as images, emojis, videos and GIFS.

The use of visual content in messages can enhance the clarity and efficiency of chat conversations. Sharing images, annotated screenshots, charts, or video clips helps participants convey key points or complex information without relying solely on lengthy text, allowing recipients to grasp insights and understanding at a glance.

Visual content also improves collaboration by making conversations more interactive and dynamic. Users can attach files, paste screenshots, or drop in whiteboard sketches to support real-time discussions and the ability to add video clips or GIFs adds a more human and engaging touch. The blend of visual and textual content also supports faster decision-making and knowledge sharing across teams. Instead of switching between apps, users can view charts, comment on files, or react to shared content directly within the chat conversation.

To illustrate, these are real-world examples of how tools are used in financial services organizations. We will revisit these use cases in Section 5 and provide guidance about how to apply relevant regulatory requirements to interactions on these platforms.

EXAMPLE A

Wellbeing community - non-regulated

Financial services firms use whiteboards where neither the business activity nor the individual users are regulated. For example, non-regulated, back office user s in financial services firm ‘A’ are using Miro for the design of a new careers section on i ts website. Web designers and copywriters work with recruitment teams to develop and agree on the content and design.

EXAMPLE B:

Investment banking team’s internal chat channel - regulated & non-regulated

The investment banking team at Organization B uses a Microsoft Teams chat channel to stay informed on market developments, deals, and competitor activity. The channel also serves as a social space, where team members celebrate personal milestones such as birthdays and wedding celebrations, by sharing GIFs and photos which fosters a sense of team camaraderie alongside business updates.

EXAMPLE C:

Investment advice - regulated

Registered representatives at a wealth management firm use Zoom chat to communicate with individual customers, sharing annotated charts to discuss during meetings, and keeping in touch with ongoing investment updates. These include screenshots of market data and animated GIFs to celebrate strong investment performance.

THE KEY VISUAL CAPABILITIES IN CHAT

Understanding the key visual capabilities within chat is important for firms to be able to capture and supervise the communications in accordance with regulatory obligations. These capabilities are continuously evolving and vary by both the Unified Communications and Collaboration (UCC) platform and the specific settings applied by organizations.

UCC platforms offer both ‘in-meeting chat’, which enables real-time communication during a meeting, and ‘persistent chat’, which supports ongoing discussions within a group—whether for a project, department, or shared topic. Both formats allow users to enhance conversations with visual content, improving clarity, adding context, and increasing engagement.

Users can share images (JPG, PNG, etc.), including photos, screenshots, illustrations, and diagrams, to provide context or highlight key information. Videos (MP4, MOV) can be uploaded as attachments or recorded directly as short clips to enhance discussions. Additionally, documents with visuals—such as Word, PowerPoint, Excel, or PDF files containing charts, tables, or embedded images—can be included to help convey complex information effectively.

For quick visual sharing, screenshots and screen snips can be pasted directly into chat, making it easy to reference reports, dashboards, or other on-screen content. Users can also annotate images or add drawings before sharing, allowing for clearer explanations and marked-up visuals. Whiteboard content can be shared as static images or via links to collaborative whiteboard sessions.

To enhance engagement and tone, chat participants can use emojis, GIFs, memes, and stickers to express emotions, celebrate milestones, or lighten the conversation. Hyperlinked thumbnails automatically generate previews when sharing links from platforms like YouTube providing a snapshot of the content. Inline previews of web pages, such as news sites, display a summary, including a title, description, and image.

Visual content can be shared alongside text or as standalone images containing text elements, such as subtitles, titles, or embedded captions. Users can react to messages with emojis—such as thumbs up, hearts, or laughter—enhancing interactivity. Images and other files can be uploaded from multiple sources, including OneDrive, SharePoint, Box, or local devices. Visual content within chat conversations is searchable, pinnable, and shareable, allowing users to retrieve and organize content efficiently. Images and other visual content can also be deleted from chat conversations.

KEY REGULATIONS THAT APPLY TO THE CAPTURE AND SUPERVISION OF VISUAL CONTENT IN CHAT

The requirements for capturing and supervising both in-meeting chat and persistent chat are set out in long-standing rules for written electronic communications or ‘e-comms’ by global regulators. These include rules from the Security & Exchange Commission (SEC), Financial Industry Regulatory Authority (FINRA), the Commodity Futures Trading Commission (CFTC) and the National Futures Association (NFA) in the US; the Financial Conduct Authority (FCA) in the UK and the Canadian Investment Regulatory Organization (CIRO). As a baseline, any written communications, like chat, related to firm business must be captured, retained, and supervised.

The SEC’s Exchange Act Rule 17a-4, and FINRA Rule 4511 require broker-dealers to, “among other things, create and preserve, in an easily accessible place, originals of all communications received and sent relating to their “business as such.” FINRA’s 2025 Annual Regulatory Oversight Report reemphasized this point specifically calling out “emails, instant messages, text messages, chat messages, interactive blogs” as business communications that would trigger recordkeeping requirements. FINRA’s Regulatory Notice 17-18 explains that the content of communications “made through text messaging apps and chat services” determines what must be retained. The SEC’s Advisers Act Rule 204-2(a)(7), similarly requires that investment advisers “preserve in an easily accessible place originals of all communications received and copies of all written communications…” relating to specific categories including recommendations or advice proposed or given.

Links, images and reactions that are added to written communications within the UCC tools provide important contextual information and meaning, as seen in recent legal cases. For example in Canada, the King’s Bench for Saskatchewan ruled that an “informed objective bystander would understand” that a thumbs-up emoji can represent a signature agreement to a contract. The Southern District of New York found that “the “rocket ship” emoji, “stock chart” emoji, and “money bags” emoji objectively mean one thing: a financial return on investment” despite a social media post not including the word “profit”.

Given the concise and engaging nature of visual content, it is important that the content of communications also aligns with guidelines for marketing and advertising. Multiple regulations mandate that communications are fair, balanced and not misleading. These include FINRA Rule 2210 Communications with the Public for broker-dealers’ communications, SEC Rule 206(4)-1 (the “Marketing Rule”), for communications by investment advisers and COBS Rule 4.2 for FCA regulated firms.

Other applicable e-comms record keeping rules CFTC Regulations 23.202 and 1.35., and NFA Compliance Rule 2-10(a) The applicable FCA rules include SYSC 10A.1.6, in conjunction with the requirements for MiFID II business, where ESMA’s Questions and Answers clarify that chat is in scope of the requirements to record electronic communications under Article 16(7).

The supervisory obligations for written electronic communications like chat include FINRA Rule 3110(b)(4) which requires firms to have procedures for the “review of incoming and outgoing written (including electronic) correspondence and internal communications” .

In terms of supervising communications with the public, FINRA’s Advertising FAQs clarify that the supervision requirements for use of a “chat or instant messaging feature” depends on the meeting nature and number of attendees and ”may be correspondence, retail communications or institutional communications, and the firm must supervise them as such.”

Other requirements include CFTC Regulation 23.602(a) and 166.3 together with NFA Rule Supervision rule 2-9 . Similarly CIRO rule 3900 and FCA’s SYSC 6.1 set out broad supervisory requirements to detect risks of non-compliance with regulatory obligations.

INTERPRETATIONS OF THE RULES & APPLICATION TO THE USE CASES

To illustrate how the recordkeeping and supervision rules apply in practice we can consider the use cases outlined in section 2. These include both regulated and non-regulated business activity, and the compliance approaches and best practices therefore differ accordingly.

EXAMPLE A

Wellbeing community - non-regulated

In the first scenario, where employees in organization A are using RingCentral chat to share wellbeing advice including posting GIFs and uplifting images to promote positivity, there is no regulatory requirement to retain the written or visual aspects of the chat messages or proactively supervise them. This is because the communications do not relate to the firm's "business as such," and FINRA's Regulatory Notice 17-18 clarifies that "...for record retention purposes, the content of the communication determines what must be retained."

EXAMPLE B:

Investment banking team's internal chat channel - regulated & non-regulated

In example B, investment bankers use Microsoft Teams Chat for the team discussions, sharing visual content like charts relating to market developments and deals, as well as images and GIFs to celebrate personal milestones, such as birthdays and weddings.

In this scenario, the firm would be subject to the e-comms capture, retention and supervision obligations applicable to the regulated investment banking staff. These include the need to capture written chat communications under the SEC's Exchange Act Rule 17a-4 as well as 3110(b)(4) which requires firms to have procedures for the "review of incoming and outgoing written (including electronic) correspondence and internal communications relating to the member's investment banking or securities business".

The written business-related messages would need to be retained and supervised, including any text and written elements within the visual content, such as headlines or captions. In addition, capturing all aspects of the chat conversation in this scenario, including contextual information like images, GIFs, reactions and emojis, would be advisable. In the event that a compliance review or regulatory investigation is undertaken, then the full conversation and context of the chat between participants would provide a complete perspective. Limiting the capture to only business related matters would create gaps in the conversation and an incomplete audit trail of events.

EXAMPLE C:

Investment advice - regulated

In scenario C the registered representatives are using Zoom Chat to communicate with individual customers. They share annotated charts during meetings as well as ongoing investment news including market data screenshots and animated GIFs to celebrate strong investment performance.

In accordance with SEC Rule 17a-4, firms and their registered representatives must retain records of communications related to their "business as such", the application of the requirement being determined by the content of the communication. As the chat conversations in this scenario relate to investment advice, the written messages, including text within visual content like GIFSs, alongside any contextual information would need to be captured and retained for a period of at least three years.

Any images that constitute financial promotions must also comply with regulatory requirements on fair and balanced communications. Given that the chat conversations are with individual customers, the chat messages would need to be supervised as correspondence in line with the example set out in FINRA's Advertising FAQs: "if a representative meets with fewer than 25 retail investors, and uses the chat feature of the online conferencing platform to answer a live question, that chat content meets the definition of correspondence in FINRA Rule 2210(a)(2). The firm must review the chat content in the same manner as required for supervising and reviewing any other correspondence pursuant to FINRA Rule 3110(b) and 3110.06 through .09."