

Federal Reserve Bank of San Francisco  
101 Market Street, San Francisco, California 94105

January 31, 2013

To State Member Banks, Bank  
Holding Companies, Financial Holding  
Companies, Savings and Loan Holding Companies,  
and Foreign Banking Offices  
in the Twelfth Federal Reserve District

### **Financial Regulators Propose Guidance on Social Media**

On January 22, 2013, the Federal Financial Institution Examination Council (FFIEC) released [proposed guidance](#) on the applicability of consumer protection and compliance laws, regulations, and policies to activities conducted via social media by banks, savings associations, and credit unions, as well as nonbank entities supervised by the Consumer Financial Protection Bureau and state regulators.

In its [announcement](#), the FFIEC indicated that it is responding to requests for guidance in this area from various industry and consumer interests. The guidance is intended to help financial institutions understand potential consumer compliance, legal, reputation, and operational risks associated with the use of social media, along with expectations for managing those risks. Although the guidance does not impose additional obligations on financial institutions, the FFIEC expects financial institutions to take steps to manage potential risks associated with social media, as they would any new process or product channel.

The FFIEC also invites comments on any aspect of the proposed guidance. It is specifically seeking comments on the following questions:

1. Are there other types of social media, or ways in which financial institutions are using social media, that are not included in the proposed guidance but that should be included?
2. Are there other consumer protection laws, regulations, policies or concerns that may be implicated by financial institutions' use of social media that are not discussed in the proposed guidance but that should be discussed?
3. Are there any technological or other impediments to financial institutions' compliance with applicable laws, regulations, and policies when using social media of which the Agencies should be aware?

Comments must be received 60 days from publication in the Federal Register.

### **Resources**

We encourage bankers to understand the guidance being proposed and utilize the comment period as an opportunity to influence the regulatory process. Those wishing to submit formal comments may submit them through <http://www.regulations.gov> (Docket No. FFIEC-2013-0001) or by following the instructions in the [Notice and Request for Comment](#).

### **Additional Information**

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's website, at <http://www.frbsf.org/banking/letters>.

For additional information regarding supervisory expectations, please contact:

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