

Regulatory Notice

24-10

Examination and Risk Monitoring Programs

FINRA Reminds Members of its Policy Prohibiting Members From Recording FINRA Calls and Meetings

Summary

FINRA reminds members of its policy prohibiting members and their associated persons from making audio or video recordings of conversations between FINRA staff and member firm personnel during calls or meetings related to FINRA's oversight functions.

Questions regarding this *Notice* should be directed to Carrie Jordan, Principal Counsel, Office of General Counsel, at (212) 858-4210 or by [email](#).

Background and Discussion

In March 2000, FINRA stated in [Notice to Members 00-18](#) (NTM 00-18) its policy prohibiting members from making audio or video recordings of conversations between FINRA staff and member firm personnel during meetings FINRA routinely requests as part of exams.¹ Since FINRA published NTM 00-18, advances in technology have made it easier to record calls and meetings—for example, cell phones and other personal devices have audio and video recording capabilities—and to capture the content of such calls and meetings. As to the latter, artificial intelligence (AI) and similar technology can integrate with virtual meeting applications to record audio and video and generate purportedly verbatim transcripts, capture slides or generate summaries. These technological capabilities to capture verbatim or detailed summaries of meetings and conversations raise the same concerns set out in NTM 00-18. They also introduce additional concerns. For example, audio and video recordings on cell phones and other personal devices can be easily edited or altered using built-in features or downloadable applications. Also, AI technology or virtual assistant applications might produce inaccurate transcripts.

July 30, 2024

Notice Type

- ▶ Guidance

Suggested Routing

- ▶ Compliance
- ▶ Legal
- ▶ Senior Management

Key Topic

- ▶ FINRA Examination and Risk Monitoring Programs

Referenced Rules & Notices

- ▶ FINRA Rule 2010
- ▶ FINRA Rule 8210
- ▶ Notice to Members 00-18

Accordingly, members and their associated persons may not record audio or video calls, meetings or conversations with FINRA staff in connection with exams, investigations or any other related oversight function, including use of any audio or video recording technologies that enable automated capture of the content of calls or meetings.² FINRA believes that making such recordings could be inconsistent with Rule 2010 (Standards of Commercial Honor and Principles of Trade),³ absent express permission from FINRA. FINRA further notes that many state laws generally prohibit recording conversations without consent of both parties. In light of the concerns referenced above, members should not expect FINRA to consent to the use of audio or video recording or other technologies in the context of an exam, investigation or any other related oversight function, except in rare circumstances.

Endnotes

- 1 *See Notice to Members 00-18* (March 2000) (stating FINRA may define the conditions under which exams and investigations occur, pursuant in part to Rule 8210 (Provision of Information and Testimony and Inspection and Copying of Books); noting FINRA's longstanding practice to conduct exams without video or audio recording by members; and adopting this longstanding practice as policy).
- 2 It is also FINRA's general policy that FINRA staff will not make audio or video recordings of calls or meetings with members or their associated persons as part of routine exams or investigations without consent from the parties.
- 3 Rule 2010 requires firms and their associated persons to "observe high standards of commercial honor and just and equitable principles of trade" in the conduct of their business.