Absolutely everything Facebook executives have said in public could be used by SEC - Washington Post
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- Securities law experts tell the Washington Post that executives lack immunity, so anything that they say in public involves speaking to investors, and the SEC will probably look at what the company and executives said to see if it constitutes inadequate disclosure of the risks the company faced from its relationship with Cambridge Analytica.
- A former SEC employee tells the Washington Post that if the FTC or DoJ investigations of the company find that Facebook violated customers' privacy to turn a profit without disclosing it, Facebook could be liable for financial fraud.
- A different former SEC employee tells the Washington post that the timing of revealing data breaches is a "hot issue" for the SEC, and the $35M fine imposed on Yahoo this year indicates that the regulator thinks two years is too long to wait for disclosure.
- Legal experts tell the Washington post that while Facebook claims it was the victim of Cambridge Analytica and not a cyber-breach, there isn't a standard definition of a data breach, and the company still can't mislead investors (by either omission or commission) about potential risks it faces.
- The article notes that the SEC may also seek to determine if anyone that knew about the situation insider-traded on it before the public was informed.

Reference Links:
- Washington Post

Industries: Computer & Internet Services
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