§ 5.14 Records to be kept by retail foreign exchange dealers and futures commission merchants.

(a) No person shall be registered as a retail foreign exchange dealer under the Act unless, commencing on the date his application for such registration is filed, he prepares and keeps current ledgers or other similar records which show or summarize, with appropriate references to supporting documents, each transaction affecting his asset, liability, income, expense and capital accounts, and in which (except as otherwise permitted in writing by the Commission) all his asset, liability and capital accounts are classified into either the account classification subdivisions specified on Form 1–FR–FCM or categories that are in accord with generally accepted accounting principles as applicable. Each person so registered shall prepare and keep current such records.

(b) Each applicant or registrant must make and keep as a record in accordance with §1.31 of this chapter formal computations of its adjusted net capital and of its minimum financial requirements pursuant to §1.17 or §5.7 of this chapter, or the requirements of the designated self-regulatory organization to which it is subject, as applicable. Each person so registered shall prepare and keep current such records.

(c) This section shall not be construed to prevent a retail foreign exchange dealer, futures commission merchant or introducing broker from engaging in any of the acts or practices described in paragraph (a) of this section.

(d) This section shall not affect any guarantee entered into prior to October 18, 2010, but this section shall apply to any extension, modification or renewal thereof entered into after such date.

§ 5.15 Unlawful representations.

It shall be unlawful for any person registered pursuant to the require-