

**WAC 460-20C-130 Books and records of broker-dealers.** (1) If you are a broker-dealer registered or required to be registered under RCW 21.20.040, you must make, maintain, and preserve books and records in compliance with the following Securities and Exchange Commission rules:

- (a) Securities and Exchange Commission Rule 10b-10 (17 C.F.R. 240.10b-10, as amended effective July 7, 2014);
- (b) Securities and Exchange Commission Rule 15c2-11 (17 C.F.R. 240.15c2-11, as amended effective December 28, 2020);
- (c) Securities and Exchange Commission Rule 15g-2(c) (17 C.F.R. 240.15g-2(c), as amended effective September 12, 2005);
- (d) Securities and Exchange Commission Rule 15g-4 (b)(2) (17 C.F.R. 240.15g-4 (b)(2), as adopted April 28, 1992);
- (e) Securities and Exchange Commission Rule 15g-5 (b)(2) (17 C.F.R. 240.15g-5 (b)(2), as adopted April 28, 1992);
- (f) Securities and Exchange Commission Rule 15g-6(f) (17 C.F.R. 240.15g-6(f), as adopted April 28, 1992);
- (g) Securities and Exchange Commission Rule 17a-2(c) (17 C.F.R. 240.17a-2(c), as amended effective April 1, 1997);
- (h) Securities and Exchange Commission Rule 17a-3 (17 C.F.R. 240.17a-3, as amended effective April 6, 2020);
- (i) Securities and Exchange Commission Rule 17a-4 (17 C.F.R. 240.17a-4, as amended effective January 3, 2023);
- (j) Securities and Exchange Commission Rule 17a-8 (17 C.F.R. 240.17a-8, as amended effective March 2, 2011); and
- (k) Securities and Exchange Commission Rule 17a-13 (b)(5) (17 C.F.R. 240.17a-13 (b)(5), as amended effective September 13, 2022).

To the extent that the Securities and Exchange Commission promulgates changes to the above-referenced rules, your compliance with such rules as amended will not subject you to enforcement action by the director for violation of this rule to the extent that the violation results solely from your compliance with the amended rule.

(2) For purposes of the application of the Securities and Exchange Commission rules referenced in subsection (1) of this section, "member" also means "broker-dealer" as defined by RCW 21.20.005(1), "associated person" also means "salesperson" as defined by RCW 21.20.005(15), and "securities regulatory authority" also means the Washington department of financial institutions.

(3) If you are a broker-dealer registered or required to be registered under RCW 21.20.040 and you are a member of a self-regulatory organization, you must maintain all records which the self-regulatory organization requires you to maintain.

(4) The records required to be maintained and preserved pursuant to this section may be immediately produced or reproduced, and maintained and preserved on:

- (a) Paper or hard copy form, as those records are kept in their original form;
- (b) Micrographic media, including microfilm, microfiche, or any similar medium; or
- (c) Electronic storage media, including any digital storage medium or system that meets the terms of this section.

(5) If you are a broker-dealer required to maintain and preserve records pursuant to this section, you must:

- (a) Arrange and index the records in a way that permits easy location, access, and retrieval of any particular record;
- (b) Provide promptly any of the following that the director may request:

(i) A legible, true, and complete copy of the record in the medium and format in which it is stored;

(ii) A legible, true, and complete printout of the records; and

(iii) Means to access, view, and print the records; and

(c) If the records that the broker-dealer is required to maintain and preserve pursuant to this section are created or maintained on electronic storage media, the broker-dealer must establish and maintain procedures:

(i) To maintain and preserve the records, so as to reasonably safeguard them from loss, alteration, and destruction;

(ii) To limit access to the records to properly authorized personnel and the director; and

(iii) To reasonably ensure that any reproduction of a nonelectronic original record on electronic storage media is complete, true, and legible when retrieved.

(6) If you are a broker-dealer registered or required to be registered under RCW 21.20.040, you must make the records required to be maintained under this section easily accessible for inspection by the director or the director's representatives. In the conduct of an examination authorized by RCW 21.20.100(4), you must honor all requests by the director or the director's representatives to have physical access to all areas of the office which is the subject of the examination. Upon request, you must permit the director or the director's representatives to access, copy, scan, image, and examine all records and electronic data that you are required to retain under this section.

(7) The director may by order, upon written request and for good cause shown, waive any of the requirements of this section.

[Statutory Authority: RCW 21.20.070 and 21.20.450. WSR 24-19-055, s 460-20C-130, filed 9/12/24, effective 10/13/24.]