

Best Practices Study Guide for the SIE, Series 7, & 66 Exams

Prepared for Prudential



***Study Strategy & Methody
to Pass Your Exams***

Technical Support

800 STC-1223 *Press 5*

24/7

Instructor Hotline:

Monday - Friday 9:00am – 5:00pm EST








800-782-3926

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Student Homeroom – Navigating to Study Tools

From **my.stcusa.com**, available learning tools are automatically assigned within your course

EXAM PREP			
	Securities Industry Essentials (SIE) Program SIE Program EXAM INFO CALENDARS & CRUNCH TIME FACTS		ADD CALENDAR VIEW MY SCORES
	Study Manual Expires: 09-11-24	SIE Online Study Manual	Not Started VIEW
	On Demands Expires: 10-08-24	SIE On-Demand Lecture	Not Started VIEW
	Chapter Quiz Expires: 09-03-24	SIE Chapter Quizzes	5% VIEW
	Flashcards	SIE Flashcards	Not Started VIEW
	Progress Exams	SIE Progress and Greenlight Exams	Not Started VIEW
	Final Exams Expires: 09-04-24	SIE Final and Custom Exams	Not Started VIEW

The STC Study Process (Applies to All Exams)

Step 1: Watch On-Demand Video Lectures for Chapter 1

Step 2: Read Chapter 1 of the Study Manual

Step 3: Build Flashcard Deck for Chapter 1 (20 Cards)

Step 4: Complete Chapter 1 Quiz

Step 5: Complete Progress Exams (per schedule)

Step 6: Complete all Final Exams



*Repeat Steps 1
Through 4 for
Each Chapter*

Step 1 – Watch On-Demand Video Lectures

By Chapter

- Each video allows students to pause and/or rewind
- Designed to provide a broad overview of the material
- Activities mentioned in On-Demand Video Lectures are included in the Learning Guide, which is available in “Documents” tab in the upper right hand corner of the screen

Watch for Content and Concept

- Pay attention to language
- Instructor will pinpoint key takeaways

Why Watch the Video First?

- Watching will speed up your reading
- Students can learn the information contextually
- Many students are auditory/visual learners

Note:

- Review On-Demand Lectures before reading pertinent chapters
- Take notes in the dashboard while you’re watching On-Demand presentations
- Follow along with the Learning Guide to help solidify the key topics

Excellent targeted study companion to the Manual and Flashcards

On Demand	
Chapter 01: Building An Investor Profile	→ released →
Chapter 02: Customer A	→ released →
Chapter 03: Customer B	→ released →
Chapter 04: Equities	→ released →
Chapter 05: Fundamentals	→ released →
Chapter 06: Corporate D	→ released →
Chapter 07: Municipal D	→ released →
Chapter 08: U.S. Treasur	→ released →
Chapter 09: Investment Companies	→ released →
Chapter 10: Variable Products	→ released →
Chapter 11: Alternative Products	→ released →
Chapter 12: Options	→ released →
Chapter 13: Offerings	→ released →
Chapter 14: Investment Risks, Returns and Disclosures	→ released →
Chapter 15: Portfolio and Market Analysis	→ released →
Chapter 16: Fundamental Analysis	→ released →
Chapter 17: Orders and Trade Execution	→ released →
Chapter 18: Margin	→ released →
Chapter 19: Settlement and Regulatory Reporting	→ released →
Chapter 20: Resolving Disputes	→ released →

Chapter 01: Building An Investor Profile

Securities Training Corporation

Chapter 1
Building an Investor Profile

0:29 / 39:13

Step 2 – Read Study Manual

Read for Content and **Concept**

- It's not necessary to read an entire chapter multiple times

Use the Create Custom Exams (by chapter) to gauge reading comprehension and retention

Use the Calendar to monitor Progress

- Contact your supervisor or STC if you're falling behind
- More extensive review of the material will come later in the study process

Securities Industry Essentials (SIE)

*General Knowledge Examination
Study Manual – 1st Edition*

To access your online materials, logon to MY.STCUSA.com

Visit www.STCUSA.com for more information and supplemental online products.

When reviewing the online PDF Study Manual, a **keyword search** can be performed by holding down the "Control" key and clicking on the "F" key (Ctrl + F) or, for Mac users, the "Command" key and "F" key (Cmd + F).

STC Customer Service 800 782-1223 • info@stcusa.com

Series 7 Qualification Exam

*General Securities Representative
Study Manual – 42nd Edition*

The Final Exams are a **critical** part of your training. Logon to MY.STCUSA.com to access your Online Materials.

Visit www.STCUSA.com for more information and supplemental online products.

When reviewing the online PDF Study Manual, a **keyword search** can be performed by holding down the "Control" key and clicking on the "F" key (Ctrl + F) or, for Mac users, the "Command" key and "F" key (Cmd + F).

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Step 3 – Review Online Flashcards

Sort Flashcards by Chapter

- Build custom deck after reading each chapter
- Flashcards are an easy way to memorize rote facts

Three Ways to Build Custom Deck

- Build by Chapter
- Build by Exam Breakdown
- Build by Key Concepts

The screenshot displays a web interface for creating flashcards. At the top, there are filter tabs: 'Chapters', 'Exam Break Down', and 'Key Concepts'. Below these is a list of chapters from 01 to 10, with 'Chapter 01: Building an Investor Profile' selected. Two sample flashcards are shown, each with a 'Mark For Review' star icon. The first flashcard has the question: '1 of 53 - In making a suitability determination for an institution, what are some concerns a BD may have?'. The second flashcard has the question: '1 of 53 - The institution's ability to evaluate investments; use of its own judgment in the past; its use of an outside adviser'. At the bottom, there is a 'Cards Available: 53' indicator, a text input field for 'Number of Cards (max of 53 allowed): 53', and a blue 'Build Deck' button.

Filter By: Chapters Exam Break Down Key Concepts Select All

- Chapter 01: Building an Investor Profile
- Chapter 02: Customer Accounts
- Chapter 03: Customer Communications
- Chapter 04: Equities
- Chapter 05: Fundamentals of Debt
- Chapter 06: Corporate Debt
- Chapter 07: Municipal Debt
- Chapter 08: U.S. Treasury and Government Agency Debt
- Chapter 09: Investment Companies
- Chapter 10: Variable Products

QID: 1904363
Mark For Review ☆

1 of 53 - In making a suitability determination for an institution, what are some concerns a BD may have?

Mark For Review ☆

1 of 53 - The institution's ability to evaluate investments; use of its own judgment in the past; its use of an outside adviser

Cards Available: 53 Number of Cards (max of 53 allowed): 53 Build Deck

Keep in Mind:

- Flashcard content can be built by Chapter, Exam Breakdown, or Key Concepts
- Students can "Mark for Review" any flashcards and go back and review them once the deck is complete
- Flashcards can be used to reinforce learning from the textbook
- Flashcards allow answers to be revealed individually

Step 4 – Complete a Chapter Quiz

After each chapter, complete the corresponding Chapter Quiz.


















Each Chapter Quiz contains 20 questions.

Explanations will be displayed after each question is answered.

Since many chapters contain more than 20 questions, you can create additional chapter quizzes with new questions.

At the bottom of the full list of chapter quizzes, there's a **“Create a Custom Chapter Quiz”** link. This allows you to create a custom quiz and select the number of questions you want from one or multiple chapters.

For any Custom Quiz, you can choose questions to be selected randomly, from questions answered incorrectly, or from new questions.

Chapter Quiz		
	Start Here – Instructions for Using the Chapter Quizzes	>
	Chapter 1 Quiz	 Complete >
	Chapter 2 Quiz	 Complete >
	Chapter 3 Quiz	 Complete >
	Chapter 4 Quiz	 Complete >
	Chapter 5 Quiz	 Complete >
	Chapter 6 Quiz	 Complete >
	Chapter 7 Quiz	 Complete >
	Create a Custom Chapter Quiz	 Not Started >















Step 5 – Progress Exams

A/B-Version Quizzes

- Each quiz covers specific chapters
- Designed to test a student's understanding in a section before moving on
- Chapter remediation is provided
 - These exams can only be taken once!

Two Cumulative Greenlight Exams




















- **Greenlight 1** – To be completed half way through the final exams
 - Must be taken as timed exam
 - Answers and explanations are provided upon completion
- **Greenlight 2** – To be completed after all Final Exams
 - Must be taken as timed exam
 - Answers and explanations are provided upon completion

Progress Exams			
	Start Here - Instructions for Using the Progress Exams		>
	Progress Exam 01A	 Complete	>
	Progress Exam 01B	--- Not Started	>
	Progress Exam 02A	--- Not Started	>
	Progress Exam 02B	--- Not Started	>
	Progress Exam 03A	--- Not Started	>
	Progress Exam 03B	--- Not Started	>
	Progress Exam 04A	--- Not Started	>
	Progress Exam 04B	--- Not Started	>
	Progress Exam 05A	--- Not Started	>
	Progress Exam 05B	--- Not Started	>
	Progress Exam Greenlight 1	--- Not Started	>
	Progress Exam Greenlight 2	--- Not Started	>

Step 6 – Complete Final Exams

Final Examinations

- Each final covers all of the chapters of the course
- Each final has different questions
- Final Exams should be taken after all of the Progress Exams have been completed
- Complete all of the Finals sequentially before retaking them
- Diagnostic review pinpoints areas for additional study
- Two methods of testing:
 1. Explanations **ON**
 - Read the question; select an answer
 - Receive immediate feedback and explanation of the correct answer
 2. Explanations **OFF**
 - Take the entire exam; receive score at the end
 - No feedback on performance while testing

Final Exams			
	Start Here - Instructions for Using the Final Exams		>
	Final Exam 01	 Complete	>
	Final Exam 02	 Not Started	>
	Final Exam 03	 Not Started	>
	Final Exam 04	 Not Started	>
	Final Exam 05	 Not Started	>
	Final Exam 06	 Not Started	>
	Final Exam 07	 Not Started	>
	Final Exam 08	 Not Started	>
	Create a Custom Exam	 Complete	>

Student Homeroom – My Scores – Question Format

The screenshot displays the 'Series 63 Final Exams-42nd Edition' interface. At the top, there are navigation links: 'Email Instructor', 'Documents', 'Help', and 'CLOSE'. Below these are 'NOTES' and 'PRINT' icons. The main content area shows a question: '9 of 65 An agent who is registered in State A contacts a client in State B. The broker-dealer is registered in State B but not the agent. The agent may:'. The question ID 'QID: 1498378' is highlighted in yellow. Below the question are four multiple-choice options: 'A Not sell the security' (marked correct with a green check), 'B Sell the security if it is a federal covered security' (marked incorrect with a red X), 'C Sell the security upon notification to a superior', and 'D Sell the security because this is an exempt transaction'. A message at the bottom states 'INCORRECT ANSWER CHOSEN' and provides feedback: 'In order to sell a security in a state, the broker-dealer and the agent must both be registered in the state. Therefore, the agent may not sell the security. (75556)'. An 'Email Instructor' pop-up window is open on the right, with a red dotted arrow pointing from the 'Email Instructor' link in the top navigation bar to the pop-up. Another red dotted arrow points from the 'QID: 1498378' to the email pop-up. The pop-up contains instructions: 'Use this feature to directly email your instructor for any content related issues or questions. If you are experiencing a technical or access issues, please use the Contact Customer Service button.' and a text input field with 'Send' and 'Cancel' buttons.

Exam Question Sample

- Each question is presented individually with multiple choice answers; similar to the actual FINRA/NASAA/MSRB exams
- Students can “Mark for Review” any question and go back and review it once the exam is complete
- Students can e-mail instructors for help right from their home room. Please include the **QID – Question Identifier Number** in the e-mail.
- When contacting the **FREE STC Instructor Hotline (1-800-782-3926)** for additional assistance on a question, also reference the QID number.
- Instructor Hotline Open 9-5PM EST (M-F)

Student Homeroom – My Scores – Targeted Study

Students can utilize the “My Scores” tool to review their progress.

Provides the ability to drill down results by chapter to identify opportunities for improvement through targeted study

CHAPTER BREAKDOWN	PROGRESS EXAMS	FINAL EXAMS	CUSTOM EXAMS	
Chapter Title	Questions Available	Questions Attempted	Questions Correct	Average Score
Chapter 01: Building an Investor Profile	17	2	1	50%
Chapter 02: Customer Accounts	54	6	0	0%
Chapter 03: Customer Communications	32	4	1	25%
Chapter 04: Equities	70	9	2	22%
Chapter 05: Fundamentals of Debt	98	12	4	33%
Chapter 06: Corporate Debt	45	6	0	0%
Chapter 07: Municipal Debt	130	16	3	19%
Chapter 08: U.S. Treasury and Government Agency Debt	59	8	1	13%
Chapter 09: Investment Companies	58	7		
Chapter 10: Variable Products	55	7		
Chapter 11: Alternative Products	51	6		
Chapter Performance				
WEAKEST <ul style="list-style-type: none"> Chapter 02: Customer Accounts Chapter 06: Corporate Debt Chapter 09: Investment Companies 		STRONGEST <ul style="list-style-type: none"> Chapter 20: Resolving Disputes Chapter 11: Alternative Products Chapter 01: Building an Investor Profile 		

Exam Average Score

65%

Question Bank

You have completed 18% of your question bank



Student Homeroom – My Scores – Targeted Study

Students utilize the *Final Exam* tab to track their scores and measure their understanding of the entire course.

They can click on a specific exam to view detailed results, including missed questions.

CHAPTER BREAKDOWN	PROGRESS EXAMS	FINAL EXAMS	CUSTOM EXAMS	
Exam Title ↓	Date Started	Date Finished	Total Time	Score
Final Exam 01 ▶	09/11/2018 03:06 PM	09/12/2018 02:08 PM	11 minutes	23%
Exam Details				
Average of First Attempts		Total Time Spent		
23%		11 minutes		

Targeted Study – Crunch Time Facts

The Crunch Time Facts represent a detailed summary of the “must-know” facts and are broken down by the chapters in STC’s Study Manual.

This digital “cheat sheet” is perfect as a final review in the days leading up to the regulatory exam.



Securities Industry Essentials (SIE)

Trending Topics | Crunch Time Facts | Key Formulas

v21



Series 7

General Securities Registered Representative

Trending Topics | Crunch Time Facts | Key Formulas

v27

The Benefits of STC's Live Classes

- STC offers best-in-class Live Training designed to fit the needs of today's learners
- Students can attend classes Live or choose to watch them at a more convenient time OnDemand
- For those struggling with Options & Suitability on the Series 7, STC has a specific ½ day class dedicated towards solely that content
- Activities are built into the classes to encourage student participation and keep people engaged
- Students preparing for the SIE or Series 7 can attend our 4-week programs, targeted at students looking to be taught the content instead of the traditional 2-3 day review class (similar to a Private Class)

SIE

- 2 Day
- 4 Day
- 2 Week
- 4 Week “all inclusive”

Series 7

- 3 Day
- 2 Week
- 4 Week “all inclusive”
- ½ Day Options & Suitability

Series 66

- 2 Day (full day)
- 4 Day (1/2 day)

Exam Details

What to Know

Securities Industry Essentials (SIE) Exam

SIE Exam
75 multiple-choice questions + 10 unscored questions (85 total)
1 hour and 45 minutes allotted
70% minimum required passing score

Sections	# of Questions
1. Knowledge of Capital Markets	12
2. Understanding Products and their Risks	33
3. Understanding Trading, Customer Accounts and Prohibited Activities	23
4. Overview of the Regulatory Framework	7

Series 7 Exam

Series 7
125 questions
3 hours and 45 minutes
72% minimum required passing score

Four Sections	# of Questions
1. Seeks Business for the Broker-Dealer from Customers and Potential Customers	9 Questions
2. Opens Accounts after Obtaining and Evaluating Customers' Financial Profile and Investment Objectives	11 Questions
3. Provides Customers with Information about Investments, Makes Suitable Recommendations, Transfers Assets and Maintains Appropriate Records	91 Questions
4. Obtains and Verifies Customers' Purchase and Sales Instructions and Agreements; Processes, Completes, and Confirms Transactions	14 Questions

Key Differences Between the SIE and Series 7 Exams

1. Suitability Focus versus Product Characteristics

- Series 7 product questions tend to focus on matching products with suitable clients
- Series 7 includes questions that focus on tax implications and the impact they have on appropriate recommendations

2. Candidates report lengthy questions on the Series 7 that take more time to read and analyze

3. Unlike the SIE Exam, you should expect several calculations on your Series 7 Exam, including:

- Options (maximum gain, maximum loss, breakeven)
 - Many on complex strategies (spreads and straddles), as well as stock and option combined positions
- Margin calculations (SMA, equity, minimum maintenance)
- Convertible bonds (parity)
- Financial statements and ratios (EPS and liquidity ratios)

Series 7 – Key Chapters

Key Series 7 Chapters That Have More Emphasis, Complexity, and Detail Than What Appeared in the SIE Study Manual:

- Chapter 7: Municipal Debt (15 to 20 questions)
- Chapter 12: Options (15 to 20 questions)
- Chapter 20: Resolving disputes and Suitability (emphasis on Suitability)

SIE and Series 7 Chapters with Significant Overlap

The Content of Following Series 7 Chapters is Similar To What's Included in the SIE Study Manual:

- Chapter 9: Packaged Products/Investment Companies (SIE Chapter 7)
- Chapter 10: Variable Products/Contracts (SIE Chapter 8)
- Chapter 11: Alternative Investments (SIE Chapter 9)
- Chapter 13: Offerings (SIE Chapter 11)

Series 66 Exam

Series 66
100 questions
2.5 hours allotted
73% minimum required passing score

Four Sections	# of Questions
1. Economic Factors and Business Information	5 Questions
2. Investment Vehicle Characteristics	20 Questions
3. Client/Customer Investment Recommendations and Strategies	30 Questions
4. Laws, Regulations, and Guidelines including Prohibition on Unethical Business Practices	45 Questions