

# New York Life SIE Program

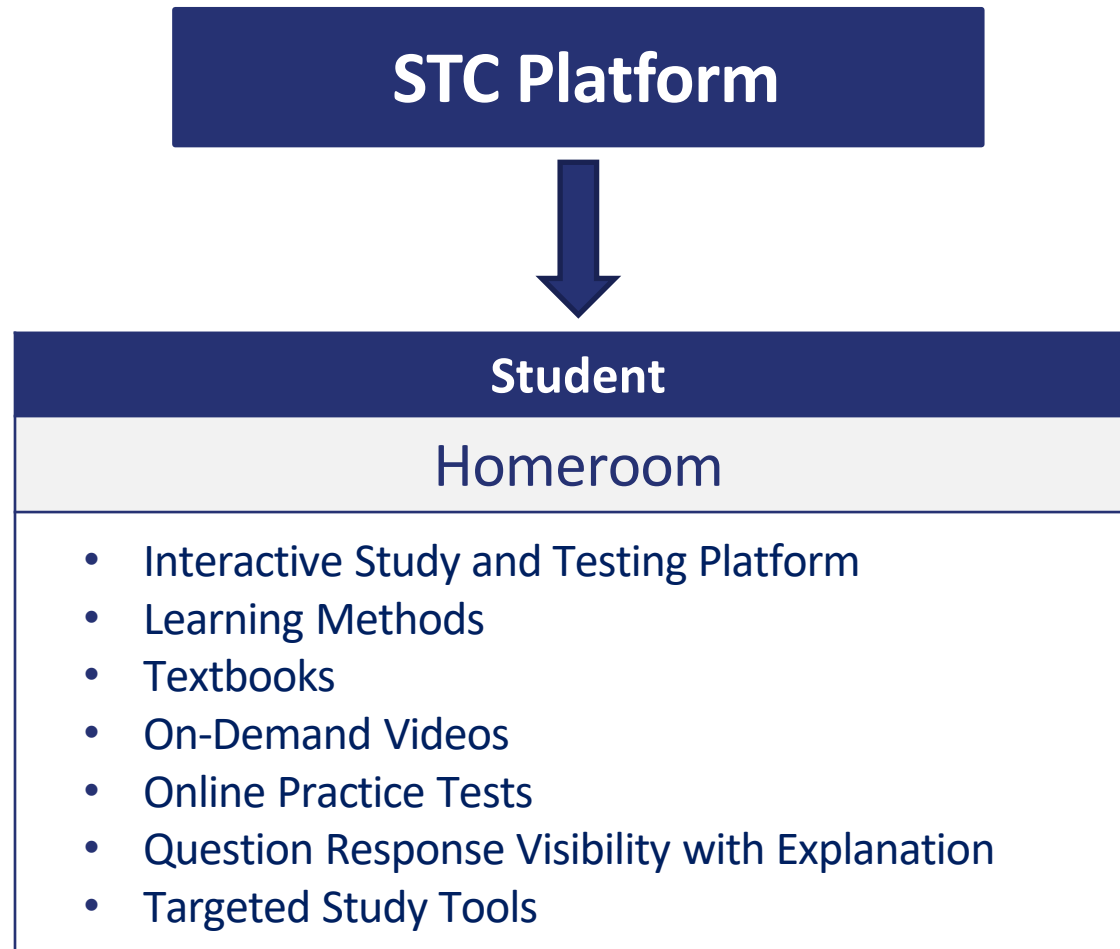
## STC Best Practices and Orientation

# Securities Industry Essentials (SIE) Exam

<b>SIE Exam</b>
<b>75 questions</b>
<b>1 hour and 45 minutes</b>
<b>70% minimum required passing score</b>

<b>Four Sections</b>	
1. Knowledge of Capital Markets	12 Questions
2. Understanding Products and Their Risks	33 Questions
3. Understanding Trading, Customer Accounts, and Prohibited Activities	23 Questions
4. Overview of Regulatory Framework	7 Questions

# STC Platform – Powering the Program



\*\*\* Student's Calendar Pace and Practice Exam performance may be monitored by Manager

# Student Support

## Technical Support

800 STC-1223 *Press 5*

24/7

## Instructor Support Email:

[instructors@stcusa.com](mailto:instructors@stcusa.com)

## Instructor Hotline:

Monday - Friday 9:00am – 5:00pm EST

800 782-3926

[NYL Resource Center](#)

# SIE Study Calendar

## Securities Training Corporation

### SIE Six Week Training



	MONDAY	TUESDAY	WEDNESDAY
WEEK 1	<p>To complete each chapter:</p> <ol style="list-style-type: none"> <li>1. Watch the On Demand Lecture for the chapter</li> <li>2. Read the chapter in the study manual</li> <li>3. Build a 10-question custom exam for the chapter *</li> <li>4. Create a custom flashcard deck for the chapter</li> </ol> <p><b>Complete Chapter 1</b> (Approx. 3 hours)</p>	<p><b>Complete Chapter 2</b> (Approx. 3 hours)</p>	<p><b>Complete Chapter 3</b> (Approx. 3 hours)</p>
WEEK 2	<p><b>Complete Chapter 6</b> (Approx. 3 hours)</p>	<p><b>Complete Chapter 7</b> (Approx. 3 hours)</p>	<p><b>Complete Chapter 8</b> (Approx. 3 hours)</p>
WEEK 3	<p><b>Complete Chapter 11</b> (Approx. 3 hours)</p>	<p><b>Complete Chapter 12</b> (Approx. 3 hours)</p>	<p><b>Complete Chapter 13</b> (Approx. 3 hours)</p>

## Securities Training Corporation

### SIE Six Week Training



	THURSDAY	FRIDAY
WEEK 4	<p><b>Complete Chapter 16</b> (Approx. 3 hours)</p>	<p><b>Complete Chapter 17</b> (Approx. 3 hours)</p>
WEEK 5	<p><b>Review Crunch Time Facts</b> <b>Take Progress Exams 4A and 4B</b> (Approx. 5.5 hours)</p>	<p><b>Complete Chapter 18</b> (Approx. 3 hours)</p>
WEEK 6	<p><b>Final Exam 1</b> (Approx. 1.5 hours)</p>	<p><b>Complete Chapter 19</b> (Approx. 3 hours)</p>
	<p><b>Review all incorrect questions from previous Final Exams</b> <b>Greenlight Exam 1</b> <b>Final Exam 5</b> (Approx. 3 hours)</p>	<p><b>Complete Chapter 20</b> (Approx. 3 hours)</p>
	<p><b>Final Exam 6</b> (Approx. 1.5 hours)</p>	<p><b>Final Exam 2</b> (Approx. 1.5 hours)</p>
		<p><b>Final Exam 3</b> (Approx. 1.5 hours)</p>
		<p><b>Final Exam 4</b> (Approx. 1.5 hours)</p>
		<p><b>Final Exam 7</b> (Approx. 1.5 hours)</p>
		<p><b>Final Exam 8</b> (Approx. 1.5 hours)</p>
		<p><b>Greenlight Exam 2</b> Review all incorrect answers from Green Light 2 Exam  Review Crunch Time Facts. (Approx. 4 hours)  *Call STC Instructor Hotline to clarify any needed subjects.</p>

#### \* To create a Custom Exam:


Log in to [my.stcusa.com](http://my.stcusa.com). From your Dashboard, select *Exam Center*, select *Final Exams*, then scroll down and select *Create a Custom Exam*. Now, select the appropriate chapter number and, at the bottom of the screen, enter 10 in the *Number of Questions* box, and then select *Build Exam*. You can choose whether or not to have the explanation appear after each question is answered.

**For the Final Exams:** An examination should first be taken with the SHOW EXPLANATIONS turned ON. After completing all of the examinations with SHOW EXPLANATIONS switched on, begin the process over again by retaking each examination without the explanations shown.


# How to Study for the SIE

- Step 1:** Review SIE Class Schedule and Register for Live Class
- Step 2** Watch On-Demand Video Lectures for Chapter 1
- Step 3:** Read Chapter 1 of Online Study Manual
- Step 4:** Review Online Flashcards for Chapter 1
- Step 5:** Create Custom Exam for Chapter 1 (10 Questions)  
*Repeat Steps 1 Through 4 for Each Chapter*
- Step 6:** Complete Progress Exams (per schedule)
- Step 7:** Once Chapters are Completed, Begin Final Exams
- Step 8:** Halfway Through Final Exams, Take Greenlight Exam 1
- Step 9:** After Greenlight Exam 1, Attend SIE Live Review Class and Complete Final Exams
- Step 10** Complete Greenlight Exam 2, Sit for SIE Exam

# Step 1 – Selecting an SIE Review Class

 ONLINE



## SIE Classroom Or Virtual Class



You have not selected a class at this time. Take a look at our offerings to see what works best for you.


PICK CLASS


Available courses are viewable in your Homeroom

 HOME SUPPORT  STC USA STORE

Homeroom>Welcome, Brian






### MY COURSES

 EXAMPREP

 **Securities Industry Essentials (SIE) Exam**  
Securities Industry Essentials (SIE) Exam

Exam Info Facts

My Scores

	Study Manual	Securities Industry Essentials (SIE) Exam Study Manual	Not Started	<a href="#">View</a>
	On Demands Expires: 04-13-20	SIE On-Demand Lecture - 1st Edition (MP4)	19.04%	<a href="#">View</a>
	Flashcards Expires: 04-13-20	SIE Flashcards - 1st Edition	0.27%	<a href="#">View</a>
	Progress Exams Expires: 04-13-20	SIE Progress Exams - 1st Edition	20%	<a href="#">View</a>
	Final Exams Expires: 04-13-20	SIE Final Exams - 1st Edition	Not Started	<a href="#">View</a>

HIDE ALL COURSES

[SUPPORT](#)[GLOSSARY](#)[FAQS](#)

- ☐ You will be able to select a specific class from your Homeroom
- ☐ Click “Pick Class” and you will be able to view class options and select a specific class
- ☐ You will attend this class in Step 9 toward the end of your studies.

# Step 2 – 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 through out the On-Demand Lecture, as well as Learning Guide which are found in the On-Demand Lecture Section – Upper Right Documents Tab upper right

## 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

Series 7 Top-Off On-Demand Lecture

Select a Video

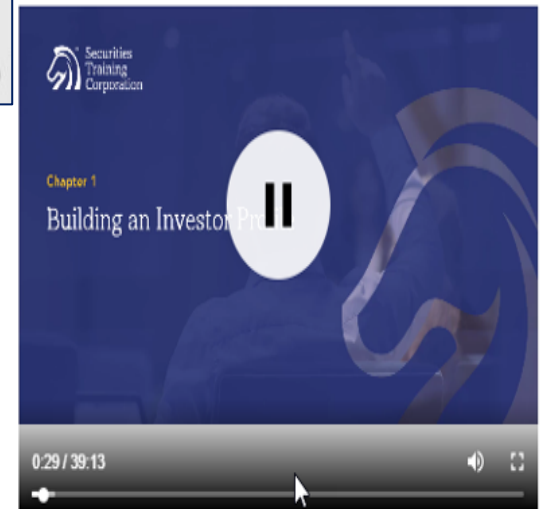
Reference Documents

[SIE Learning Guide](#)  
Use this Learning Guide to take notes, answer questions, and complete activities.

[SIE Learning Guide](#)  
A shorter, more consolidated version of the Learning Guide that's listed above (1/3 the size)

Excellent targeted study companion to the Manual and Flashcards

## Chapter 01: Building An Investor Profile





# Step 3 – Read Virtual or Print 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

The Final Exams are a **critical** part of your training. Logon to [MY.STCUSA.com](https://www.stcusa.com) to access your Online Materials.

Visit [www.STCUSA.com](https://www.stcusa.com) for more information, our Course Updates page and supplemental online products.

**DISCLAIMER** STC students are provided with both a print and online study manual. If discrepancies are discovered between these two manuals, please consider the online study manual to be the most current since it is updated in real-time.

STC Customer Service 800 782-1223 • [info@stcusa.com](mailto:info@stcusa.com)

## CHAPTER 1

### Overview of Market Participation and Market Structure

#### Key Topics:

- Types of Issuers
- How Firms Function
- Types of Investors
- Primary vs. Secondary Markets
- Clearing and Settlement



# Step 4 – 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 a custom flashcard deck. At the top, there are three tabs: 'Chapters', 'Exam Break Down', and 'Key Concepts'. The 'Chapters' tab is selected. Below the tabs, a list of chapters is shown, each with a radio button. 'Chapter 01: Building an Investor Profile' is selected. The list includes chapters 01 through 10. At the bottom of the list, it says 'Cards Available: 53' and 'Number of Cards (max of 53 allowed): 53'. A blue 'Build Deck' button is located to the right of the input field. Two sample flashcards are overlaid on the right side of the interface. The first flashcard has the ID 'QID: 1904363' and the question '1 of 53 - In making a suitability determination for an institution, what are some concerns a BD may have?'. It has a 'Mark For Review' button with a star icon. The second flashcard has the ID '1 of 53 - The institution's ability to evaluate investments; use of its own judgment in the past; its use of an outside adviser' and also has a 'Mark For Review' button with a star icon. A callout box with a dotted border is in the bottom right corner, titled 'Keep in Mind:', containing four bullet points: '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', and 'Flashcards allow answers to be revealed individually'.

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

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

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

**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 5 – Custom Exams

After each chapter, create a 10-question custom exam

**CUSTOM EXAMS ARE FOUND WITHIN THE FINAL EXAM SECTION OF THE STUDENT HOMEROOM**

Log in to <https://my.stcusa.com>

- From the Dashboard, select *Final Exams*, then scroll down and select *Create a Custom Exam*
- Now, select the appropriate chapter number and, at the bottom of the screen, enter 10 in the *Number of Questions* box, and then select *Build Exam*.
  - You can choose *Show Explanations* to have explanations appear after each question is answered.

The screenshot displays the 'Final Exams' section of a student's homeroom. At the top, there's a header with 'Final Exams', 'Expires: 05-06-19', 'Series 7 Top-Off Final Exams', 'Not Started', and a 'View' button. Below this is a list of exams: 'Start Here - Instructions for Using the Final Exams', 'Final Exam 01' through 'Final Exam 08', and 'Create a Custom Exam'. The 'Create a Custom Exam' option is circled with a dashed line, and an arrow points from it to a callout box. The callout box, titled 'Create Custom Exam', lists the following features:

- Contains all of the questions from the Final Exams, but sorted by topic
- Students can choose to answer any number of questions that are available for that chapter
- Allows focused study on specific areas of concern
- Students can leverage these exams upon completion of individual chapters
- Unlimited number of attempts available

Below the callout box, another screenshot shows the 'Build Exam' interface. It has a title 'Select the questions below that you would like to have in your quiz:' and a 'Select All' button. A list of chapters is shown with radio buttons next to them: 'Chapter 01: Building an Investor Profile' (selected), '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', and 'Chapter 10: Variable Products'. At the bottom, it shows 'Questions selected: 17', 'Number of Questions (max of 17 allowed): 17', and buttons for 'Build Exam' and 'Back to Exam Center'.

# Step 6 – 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 (save these for Steps 9 and 10 at the end of your studies)

**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	>

# Chapters Covered in Progress Exams

SIE	
Progress Exam	Covers Chapters
1A and 1B	1 through 5
2A and 2B	6 through 10
3A and 3B	11 through 15
4A and 4B	16 through 20

FAQ's:




















Q – How do the Progress Exams work?

A – Progress exams cover several chapters at a time.  
The number of chapters covered differs per Series.

# Step 7 – Begin Final Exams

## Final Examinations

- Each final covers all chapters of the course.
- Each final has different questions
- Final Exams should be taken after all of the Progress Exam have been completed.
- Complete all of the exams sequentially before retaking
- Diagnostic review pinpoints areas for additional study
- Two methods of testing:
  - Explanations *On*
    - Read the question, select an answer
    - Receive immediate feedback and explanation of the correct answer
  - Explanations *Off*
    - Take entire exam; receive grade 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	>

# Step 8 – Complete Greenlight Exam 1

## Greenlight Exam 1

- To be completed half way through the final exams
  - Must be taken as timed exam
  - Answers and explanations are provided upon completion

### SIE Progress and Greenlight Exams-1st Edition



Progress Exam 02A



Progress Exam 02B



Progress Exam 03A



Progress Exam 03B



Progress Exam 04A



Progress Exam 04B



Progress Exam Greenlight 1



Progress Exam Greenlight 2

# Step 9 – Attend SIE Live Review Class

- ☐ Attend the class that you selected in Step 1
- ☐ A link to the class schedule is below

[STC Class Schedules](#)

**SIE** 9:00am – 5:00pm ET

January 26 & 27

February 23 & 24

**SIE** 10:00am – 6:00pm ET

March 23 & 24

**SIE** 1:00pm – 5:00pm ET

February 9, 11, 16 & 18

April 12, 14, 19 & 21

**SIE** 5:00pm – 9:00pm ET

January 5, 7, 12 & 14

March 8, 10, 15 & 17



# Step 10 – Complete Greenlight Exam 2, Sit for SIE Exam

## Greenlight Exam 2

- To be completed after all Final Exams
  - Must be taken as timed exam
  - Answers and explanations are provided upon completion

### SIE Progress and Greenlight Exams-1st Edition

 Progress Exam 02A


 Progress Exam 02B


 Progress Exam 03A

 Progress Exam 03B

 Progress Exam 04A

 Progress Exam 04B

 Progress Exam Greenlight 1

 Progress Exam Greenlight 2

## Additional Student Homeroom Tools

# Student Homeroom – My Scores - Question Format

## FAQ's

Q – Progress exams cover several chapters. Is a student required to wait until the end of these chapters to take an exam?  
A – No, the student can create a custom exam at the end of every chapter to begin taking exams prior to the progress exams.

Q – Retakers – Can the Student drill down to missing questions for Custom Exam Creation?  
A – Custom Exams are created by chapter questions –

Q – Are the custom exam questions counts weighted?  
A – Yes.

## 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
- When contacting the STC Instructor Hotline (1-800-782-3926) for additional assistance on a question, reference the question code (e.g., 72962)
- The system provides immediate feedback by showing both the correct answer and a full description

1 of 135 - What type of bond would MOST likely be secured by an excise tax, cigarette tax, or gasoline tax? QID: 1891958

Mark For Review ☆

✗

GO bond

B

Double-barreled bond

C

Special assessment bond

✓

Special tax bond

EXPLANATION:  
**INCORRECT ANSWER CHOSEN**  
A special tax bond is a type of revenue bond and is usually financed by a tax on certain items such as cigarettes, liquor, or gasoline (excise taxes).  
(72962)

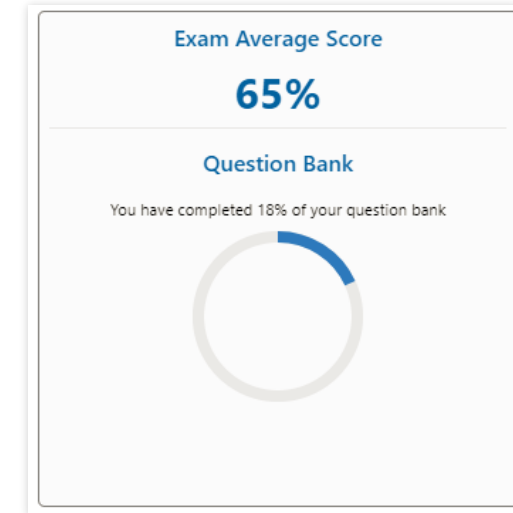
# Student Homeroom – My Scores - Targeted Study

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

Topic Breakdown	Final Exams	Custom Exams	Progress Exams
The Topic Breakdown tracks your results on the Final Exams. You will not see any results until you take one of the Final Exams.			
Chapter Title	Questions Available	Questions Attempted	Average Score
Chapter 01: Overview of Market Participants and Market Structure	22	3	67%
Chapter 02: Overview of Regulation	16	1	0%
Chapter 03: Equity Securities	26	2	0%
Chapter 04: Introduction to Debt Instruments	20	2	0%
Chapter 05: Types of Debt Instruments	37	4	25%
Chapter 06: Investment Returns	39	5	60%
Chapter 07: Packaged Products	43	6	50%
Chapter 08: Variable Contracts and Municipal Fund Securities	32	5	20%
Chapter 09: Alternative Investments	29	5	60%
Chapter 10: Options	35	4	25%

Your performance	
<strong>WEAKEST</strong> <ul style="list-style-type: none"><li>Chapter 02: Overview of Regulation</li><li>Chapter 03: Equity Securities</li><li>Chapter 04: Introduction to Debt Instruments</li></ul>	<strong>STRONGEST</strong> <ul style="list-style-type: none"><li>Chapter 01: Overview of Market Participants and Market Structure</li><li>Chapter 06: Investment Returns</li><li>Chapter 09: Alternative Investments</li></ul>



# 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 TRAINING CORPORATION  
SECURITIES INDUSTRY ESSENTIALS (SIE) EXAM  
TRENDING TOPICS | CRUNCH TIME FACTS | KEY FORMULAS

*The Crunch Time Facts are a collection of statements that we believe are valuable as you engage in the final preparation to sit for your examination. These facts are not designed to raise questions; instead, they are to be part of your final review and used with any notes that you created during your studies.*

## CHAPTER 1 OVERVIEW OF MARKET PARTICIPANTS AND MARKET STRUCTURE

- Investment bankers assist businesses that seek to raise capital through the issuance of securities.
- The research department of a broker-dealer studies both the markets and individual issuers in order to issue recommendations.
- The trading department of a broker-dealer must be segregated from its investment banking department by information barriers.
- Buying a stock on one exchange and simultaneously selling it on another exchange is referred to as arbitrage.
- The reason for the creation of the DTC was to provide a book-entry system to handle the increase in volume of securities transactions.
- The quoted price of a non-listed stock can be found on the OTCBB or OTC Pink Marketplace.
- Broker-dealers that receive a commission are acting in an agency capacity.
- A firm that charges a markup on a stock transaction is acting in a dealer (principal) capacity.
- A broker-dealer sells a security to an investor at the ask price.
- A broker-dealer buys a security from an investor at the bid price.
- A market maker's quote is 7.10 – 7.15, 20 x 10. This quote indicates the firm's willingness to buy 2,000 shares at 7.10 and sell 1,000 shares at 7.15 (20 x 10 represents the number of 100-share round lots).
- A market maker is a member of a stock exchange (or a broker-dealer) that's responsible for providing liquidity by consistently buying and selling securities at its quoted prices.
- A married couple who have earned \$300,000 of income in each of the last two years and reasonably expect this level to continue is considered an accredited investor.

## CHAPTER 2 OVERVIEW OF REGULATION

- The North American Securities Administrators Association (NASAA) is an organization that consists of state regulators and is responsible for updating the states' securities laws (Blue Sky Laws).
- The Uniform Securities Act is the state model law that is sometimes referred to as "Blue Sky Laws."
- The reason that the Investment Company Act of 1940 requires mutual funds to have a significant percentage of its directors be disinterested is to protect shareholders against management impropriety.
- The purpose of information barriers is to limit the spread of non-public information within a broker-dealer.
- In arbitration proceedings involving customers, the arbitration panel can consist of both industry and non-industry arbitrators. (However, industry arbitration proceedings will utilize industry arbitrators only.)
- The SIPC protects the customers of a broker-dealer that is defunct (bankrupt).
- An SRO has the power to suspend an RR's registration after a hearing is held.

# Student Support

## Technical Support

800 STC-1223 *Press 5*

24/7

## Instructor Support Email:

[instructors@stcusa.com](mailto:instructors@stcusa.com)

## Instructor Hotline:

Monday - Friday 9:00am – 5:00pm EST

800 782-3926

[NYL Resource Center](#)