

## KNOWLEDGE SUPPLEMENT

# Getting to Know the Securities Industry Essentials (SIE) Exam and What it Means for You

Your Guide to Understanding and Preparing for the Upcoming Changes

# An Overview of the Securities Industry Essentials Exam

**The Securities Industry Essentials (SIE) Exam is the biggest opportunity in over 25 years for new professionals in the securities industry. It will significantly modify the licensing process to qualify for future employment.**

The SIE Exam will be an entry level exam comprised of common core content across several current representative licensing exams. Numerous candidates will have the opportunity to qualify for positions in the industry. The content for the SIE Exam will be comprised of information that does not frequently change, requiring less maintenance compared to the current exams.

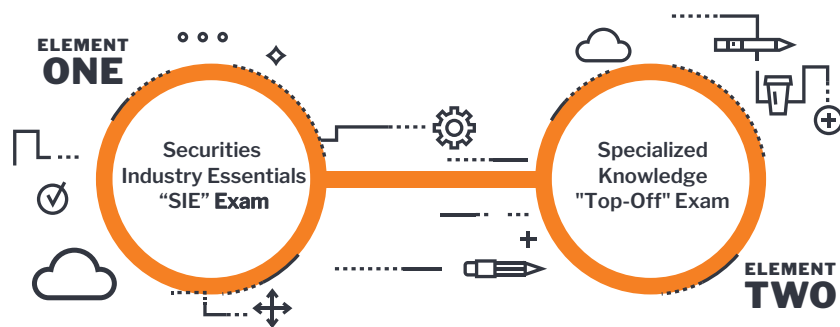
## Securities Industry Essentials Exam Quick Facts

- ✓ **Biggest opportunity in over 25 years**
- ✓ **Provides more opportunity for new candidates**
- ✓ **Will be an entry level exam**
- ✓ **Exams can be taken in any order and/or on the same day**
- ✓ **Sponsorship will not be required**
- ✓ **Consists of 75 questions**
- ✓ **A passing score will be valid for 4 years**
- ✓ **Implementation October 1, 2018**

# New FINRA Exam Structure

## What is it?

On October 1, 2018, the current representative-level qualification exam program will be amended to consist of two test elements:



The goal of this new format is to eliminate duplicative testing of general securities knowledge on exams.

## What does it mean for you?

All potential representative-level registrants will take a general knowledge exam (the SIE) and an appropriate specialized knowledge,

or "Top-off" exam to reflect their particular registered role. The SIE exam would consist of 10 pre-test questions plus 75 questions covering information fundamental to working in the securities industry, such as basic product knowledge, structure and functioning of the securities industry markets, regulatory agencies and their functions, and regulated and prohibited practices. A passing result on the SIE exam will be valid for 4 years.

The SIE exam will be a requirement for anyone wanting to become registered with a FINRA member firm. Other key distinctions include:

- ✓ Sponsorship by a member firm will not be required
- ✓ Enables prospects to demonstrate basic knowledge
- ✓ Provides more flexibility and career mobility in the industry

Each Top-off exam will correlate to a current representative exam and registration position (e.g., Series 7 and General Securities Representative) and will test content specific to that registration category or job function.

# Current vs. Future Exam Structures

A candidate for registration with FINRA will be required to pass the SIE exam and the Top-off exam(s) pertaining to their job function to become eligible for registration with a broker/dealer. The Top-off exams will include the Series 6, 7, 22, 57, 79, 82, 86, 87 and 99 exams as outlined below.

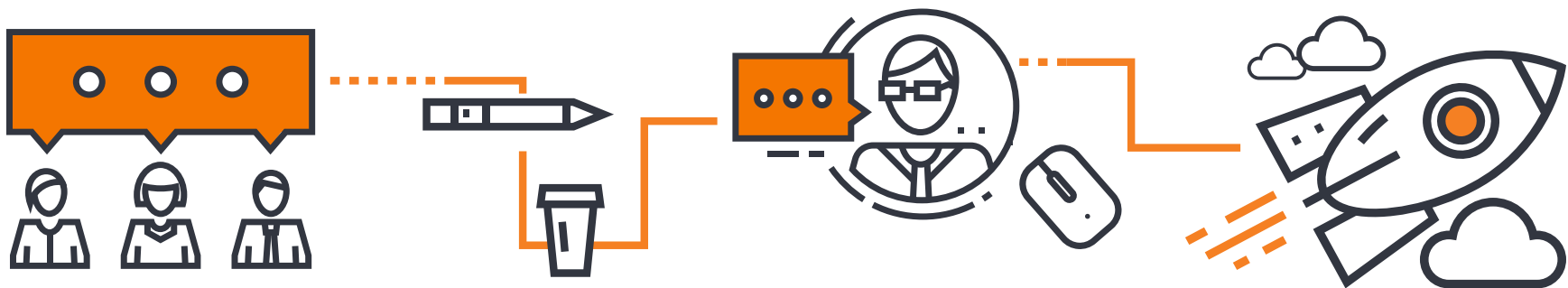
Before October 1, 2018	Registration Category	Beginning October 1, 2018
Series 6 (100 Questions)	Investment Company Representative (IR)	SIE (75 questions + 10 pre-test questions) + Specialized Series 6 (50 questions)
Series 7 (250 Questions)	General Securities Representative (GS)	SIE (75 questions + 10 pre-test questions) + Specialized Series 7 (125 questions)
Series 22 (100 Questions)	Direct Participation Programs Representative (DR)	SIE (75 questions + 10 pre-test questions) + Specialized Series 22 (50 questions)
Series 57 (125 Questions)	Securities Trader (TD)	SIE (75 questions + 10 pre-test questions) + Specialized Series 57 (50 questions)
Series 79 (175 Questions)	Investment Banking Representative (IB)	SIE (75 questions + 10 pre-test questions) + Specialized Series 79 (75 questions)
Series 82 (100 Questions)	Private Securities Offerings Representative (PR)	SIE (75 questions + 10 pre-test questions) + Specialized Series 82 (50 questions)
Series 7 (250 questions) + Series 86 Part I: Analysis (100 Questions) + Series 87 (50 questions)	Research Analyst (RS)	SIE (75 questions + 10 pre-test questions) + Specialized Series 86 Part I: Analysis (100 questions) + Specialized Series 87 Part II: Regulatory Administration and Best Practices (50 questions)
Series 99 (100 Questions)	Operations Professional (OS)	SIE (75 questions + 10 pre-test questions) + Specialized Series 99 (50 questions)

# New FINRA Exam Structure Continued

Each Top-off exam will be shorter than the current qualification exam it would replace. However, the total number of questions on the SIE exam plus the applicable Top-off exam could be greater than the current exams.

If, following an individual's registration with a firm, the job functions for which the individual is registered change at that firm and they need to become registered in an additional or alternative representative-level position, they would not need to pass the SIE exam again. Rather, the registered individual will need to pass only the appropriate Top-off exam for the additional or alternative representative-level position.

As part of the restructuring, FINRA is retiring the current registration categories of Options Representative, Corporate Securities Representative and Government Securities Representative as well as the associated exams, the Series 42, Series 62 and Series 72, respectively. FINRA is also retiring the Order Processing Assistant Representative registration category and associated Series 11 exam. However, an individual registered in any of these categories at the time of the exam change will be able to maintain their registration, provided that if the individual then terminates that registration and the registration remains terminated for more than two years, they will not be able to re-register in that category.



# Why Choose ExamFX?

The new ExamFX was formed by a merger with TesTeachers and ExamFX, bringing together two premier national training leaders of insurance and securities prelicensing and continuing education. Combining streamlined content, cutting-edge online tools and highly predictive practice exams, we ensure that candidates of all learning styles will be prepared for exam day. Thousands of organizations and over 6 million users have trusted ExamFX in preparation for an exciting new career in the financial services industry. Whether you are seeking a career or managing a firm in the securities industry, ExamFX partners with you to ensure success — it's our top priority.

## Benefits for Financial Services Candidates



Our ability to accommodate multiple learning styles and adaptive learning technology ensures that you'll be prepared for exam day.



We offer a complete training program for insurance licensing and securities exams. With investments in the latest technologies, we deliver the industry's most complete prelicensing training.



Individuals will be provided with opportunities to network with ExamFX Partners after passing the SIE.

## Benefits for Financial Services Managers



Training material is being developed for various candidate profiles that will have multiple evaluation points for managers.



We currently have hundreds of insurance and securities clients using our industry-leading voucher program that can be leveraged in your SIE recruitment process.



We are partnering with universities and targeted career channels at every level to find, locate and encourage candidates who may be considering a career in financial services to prepare for the SIE.



*Success  
Starts Here*

We strive to create training tools that are accurate, compliant and most importantly create an engaging experience for users. We offer a complete portfolio of learning solutions for the financial services industry that incorporates elements tailored for every type of learner, with packages designed to provide individuals and organizations with the most cost effective learning solutions.

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