

FINRA Proposes Rule Change Related to the Content of the Securities Industry Essentials Examination

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On January 12, the Financial Industry Regulatory Authority (FINRA) filed with the Securities and Exchange Commission a proposed rule change outlining the content and selection specifications for FINRA's new general knowledge examination, the Securities Industry Essentials Examination (SIE) (For additional information related to the SIE, please see the [July 14, 2017 edition](#) of the *Corporate & Financial Weekly Digest*.) The rule change proposes that the SIE be divided into the following four sections:

1. Knowledge of Capital;
2. Understanding Products and their Risks;
3. Understanding Trading, Customer Accounts and Prohibited Activities; and
4. Overview of the Regulatory Framework.

FINRA believes that the proposed outline streamlines the general securities knowledge that is currently covered on the representative-level examinations. Pursuant to Section 19(b)(3) of the Securities Exchange Act of 1934, as amended, and Rule 19b-4 thereunder, the rule change was effective upon filing. The implementation date for the SIE will be October 1, 2018, which coincides with the implementation of the restructured representative-level examination program.

The text of the rule change is available [here](#).

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