



# Series 63 Best Practices

Kaplan Financial Education is proud to bring you our Best Practices Guide, created to help you pass your Series 63 securities licensing exam. We have prepared this important information to help you get a head start on your objective—passing your Uniform Securities State Law Exam.

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# Overview

## Uniform Securities State Law Exam

This license is required by most states in order to sell securities within the state.

### Exam Stats:

- Study time: 40–60 hours; 2–3 weeks
- Consists of 60 multiple-choice questions, plus an additional 5 “pre-test” questions that are not scored or identified
- Testing time: 1 hour, 15 minutes
- Passing score: 72% or above (43/60)

Some units that may pose a greater challenge for students:

- Unit 1: Regulation of Persons
- Unit 4: Ethical Practices and Fiduciary Obligations

Pay special attention to the **Test Topic Alerts** discussed in the units of our **License Exam Manual (LEM)**.

## Some Words of Advice

- Do not become too overwhelmed or bogged down in any one unit. You don't want to lose sight of the finish line because you're having trouble with one hurdle. Keep moving forward. It's a steady pace that wins the race.
- After completing all units, concentrate on comprehensive exams covering all the material. Plan to spend at least one week testing prior to a scheduled class.
- You should complete at least 5 **Simulated (Weighted Mock) Exams** prior to class. Review your answers and rationales. Also, review your LEM as needed.
- Smaller exams can be built by selecting the **Custom Quiz** button in your QBank.

**We want you to pass your  
securities exam the first time!**

# Primary Study Tools

## License Exam Manual (LEM)

This comprehensive textbook covers all aspects of your exam. Short, focused paragraphs with numerous case studies and quick quizzes that will help you learn faster and retain critical information.

## SecuritiesPro™ QBank

Test yourself with practice questions and solutions. Then, pinpoint problem areas by building customized exams based on length and topic of your choice. The QBank also lets you create online personal notes and bookmarks for future reference.

## Simulated (Weighted Mock) Exams

These weighted exams contain questions pulled from the QBank to help condition you for your exam. The exams allow a review of answers and rationales and may be created an unlimited number of times.

## Practice Exam

Designed to be a measurement tool, the Practice Exam provides a valuable means of evaluating your preparedness for passing the exam on the first try. This exam may only be taken once. There are no answers or rationales provided, although you are given a diagnostic report of your results.

## Mastery Exam

Designed to be a final measurement tool, the Mastery Exam provides a valuable means of evaluating your preparedness for passing the exam on the first try. This exam may only be taken once. There are no answers or rationales provided, although you are given a diagnostic report of your results.

## Instructor-Led Training and InstructorLink™

Kaplan offers OnDemand classes, as well as a unique combination of online instructional resources and interactive support tools designed to help you pass your exam.

## Additional Study Tools

### Study Calendar

This online calendar helps you create a series-specific study plan around your schedule and study preferences.

### Comprehensive Class Notes

Our Class Notes book allows you to follow the content presented during class and take notes of the presentation.

### Video Library

This video review tool consists of instructor-led reviews of core concepts and test topics. These sessions can be viewed anytime, anywhere, and as frequently as you like.

### Exam Tips & Content Updates

When rules and regulations change, or we want to share new information regarding your exam, it will be posted here.

### Corrections

Stay abreast of corrections made between new editions.

Next, we will take a closer look at some of your resources and how to approach your studies. Your first step is to read the **Introduction** found in your License Exam Manual. Many candidates skip this very important part of the process and, as a result, must work harder than those that take the time to read it!

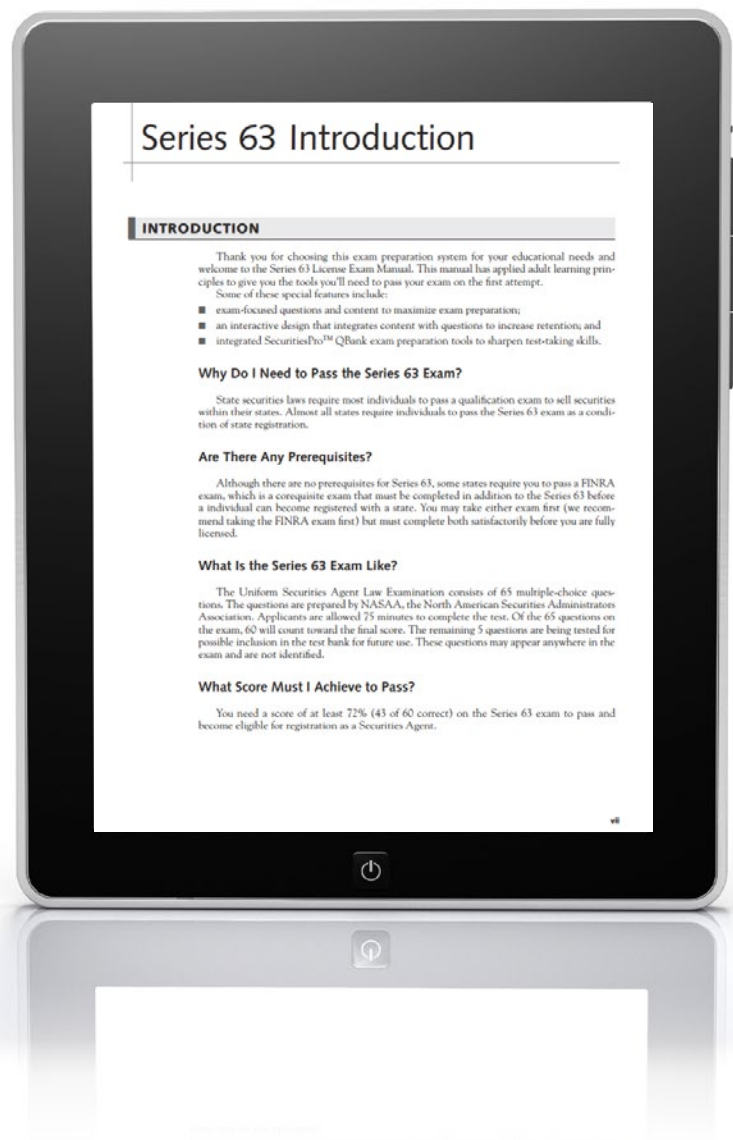
# License Exam Manual (LEM)

The introduction found in your License Exam Manual will review the specifics of your exam.

- Prerequisites
- Timing of the exam
- Topics covered and weighting of your exam
- Important test-taking tips

## Now you can really get studying!

- Read the LEM one unit at a time, thoroughly.  
Plan on spending 3–4 hours per unit to read and comprehend the LEM.
- Pay special attention to the **Test Topic Alerts** and **Take Notes**; this is where we identify information that is very likely to show up on your exam!
- Complete each **Quick Quiz** and **Unit Test**, reviewing the answers and rationales.
- The rationales of questions are provided to reinforce your comprehension of the material.





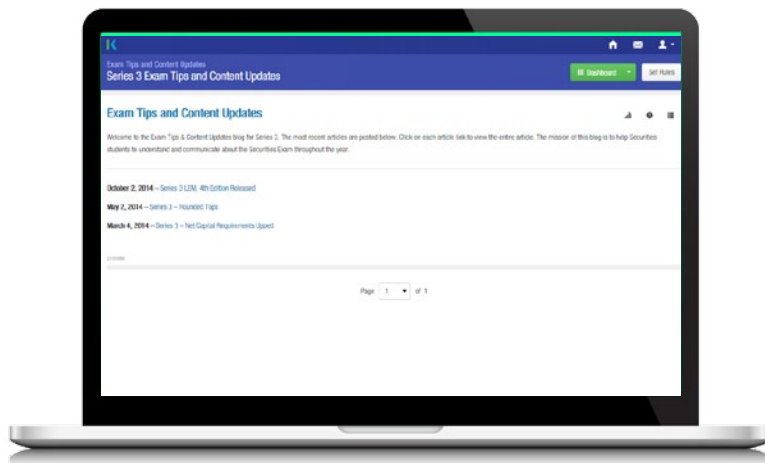
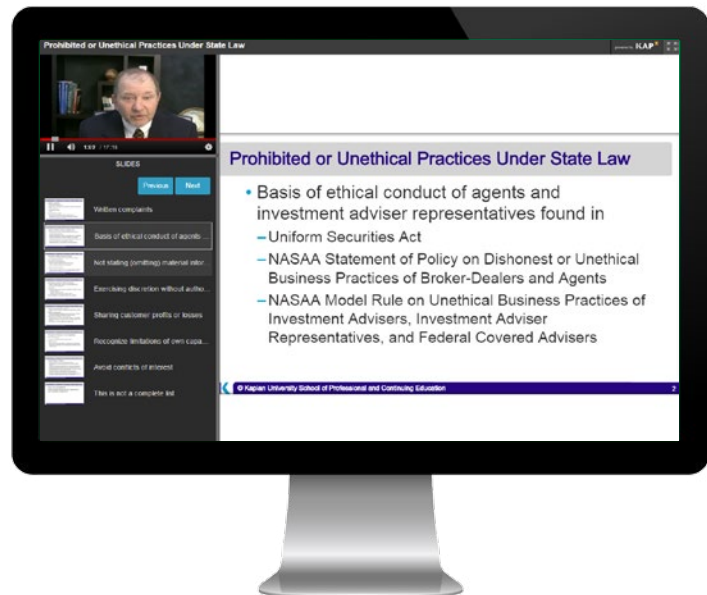
# Video Library

This optional study tool is designed to provide additional clarification on securities topics you may be having difficulty understanding.

- Included in the Essential and Premium packages.
- Review the videos as many times as necessary to understand the more challenging concepts.

## Remediation Tip

- The **Video Library** is an excellent tool to use after you have completed online unit exams to review any topics you did not score well on.



# Exam Tips & Content Updates

It is very important to monitor this site! It includes:

- Current changes in rules and regulations
- Exam tips and study strategies
- A detailed listing of changes to new editions

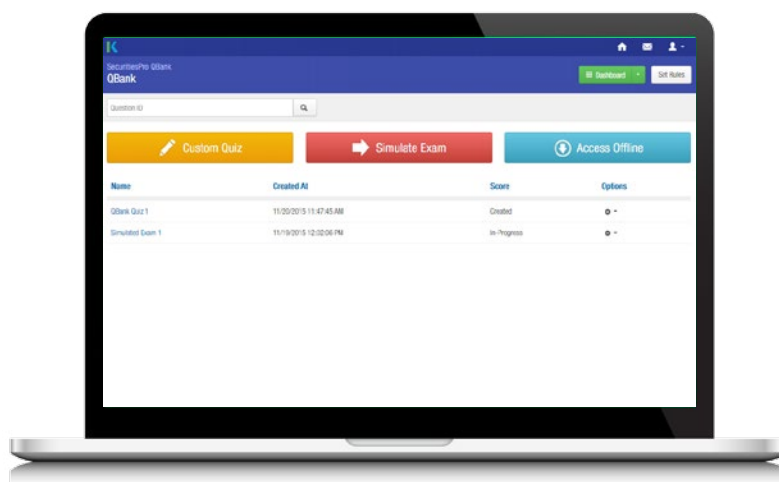
# SecuritiesPro™ QBank

This may be the most important tool you have other than the LEM. Learning how to apply your knowledge to the questions you will see is critical to your success! Don't get discouraged if you don't score well right from the start. Scores in the mid-to-high 60s are good initially. Your scores will improve as you continue your studies.

- Build a minimum of two 40-question QBank exams for each unit. Periodically build 100-question comprehensive exams on the material studied. (Example: Units 1-2, 1-3)
- Do not take short, repetitive unit exams, as this will lead to memorization versus comprehension. Exams are recommended to be at least 40 questions on each unit; build to more comprehensive exams.
- Gain a comfort level with each unit until you feel confident enough to move on to the next unit, but don't feel you need to master every topic before moving on.
- View rationales after each question initially and spend time studying each rationale in order to learn the concepts. Later, you will want to practice exam scenarios in which rationales are viewed at the end of each exam.

## Remediation Tips

- Be sure to review each exam after completion. Spend time reviewing questions you missed and review the rationale to gain a better understanding of any mistakes. Use the reference number to locate additional information on the test topic in your LEM if needed.
- Open your Performance Tracker report and review any topics in the LEM and Video Library you feel you may not understand or are not scoring well on.
- Create additional tests as needed until you feel comfortable with the material, but avoid repetitive testing, which leads to memorization versus comprehension.



# Practice and Mastery Exams

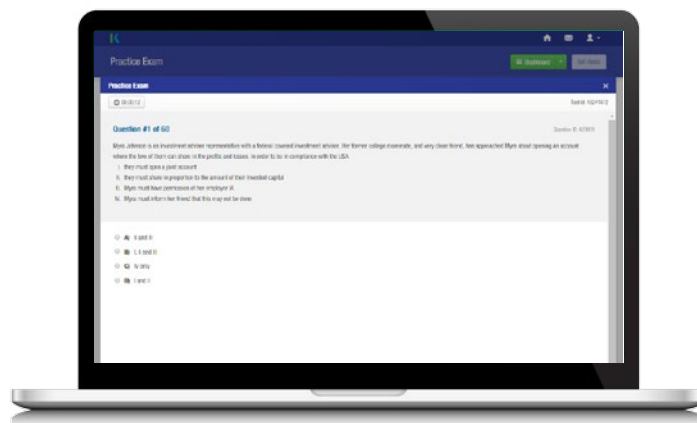
These exams are designed to closely replicate the true exam experience, both in terms of the degree of difficulty and topical coverage. Validated as a test of preparedness, the Practice and Mastery Exams may be taken just once each. They provide scores and diagnostic feedback, but do not give answer explanations.

The Practice and Mastery Exams are sound indicators of potential actual exam scores—the better you do on these exams, the more likely you are to pass your actual exam.

1. Do not take the **Practice Exam** or **Mastery Exam** until you have read the entire LEM and completed all recommended unit exams.
2. Complete the **Practice Exam** after reading the LEM and prior to class.
3. Attend class (if scheduled) and complete all homework assignments. The review class you complete is designed to tie any loose ends together so everything makes sense.
4. Within the next week:
  - Complete the **Mastery Exam**.
  - Continue to build QBank exams and Simulated (Weighted Mock) Exams, with a goal of consistently scoring in the 80s.
  - Review LEM as needed.
  - Review notes from class as needed.
5. Take your exam within 3–10 days of completing your class.

## Remediation Tips

- Upon completion of the Practice and Mastery Exams, be sure to review your Performance Tracker report.
- Reread the portions of the LEM and watch videos from the Video Library or OnDemand Class that cover topics you did not score well on.
- Create 100-question practice exams from your QBank on areas of weakness. Review the questions and rationales at the end of each test.
- Continue to complete **Simulated (Weighted Mock) Exams** and review the questions and rationales at the end of each test.
- Your goal should be to comprehend the material and consistently score in the 80s.



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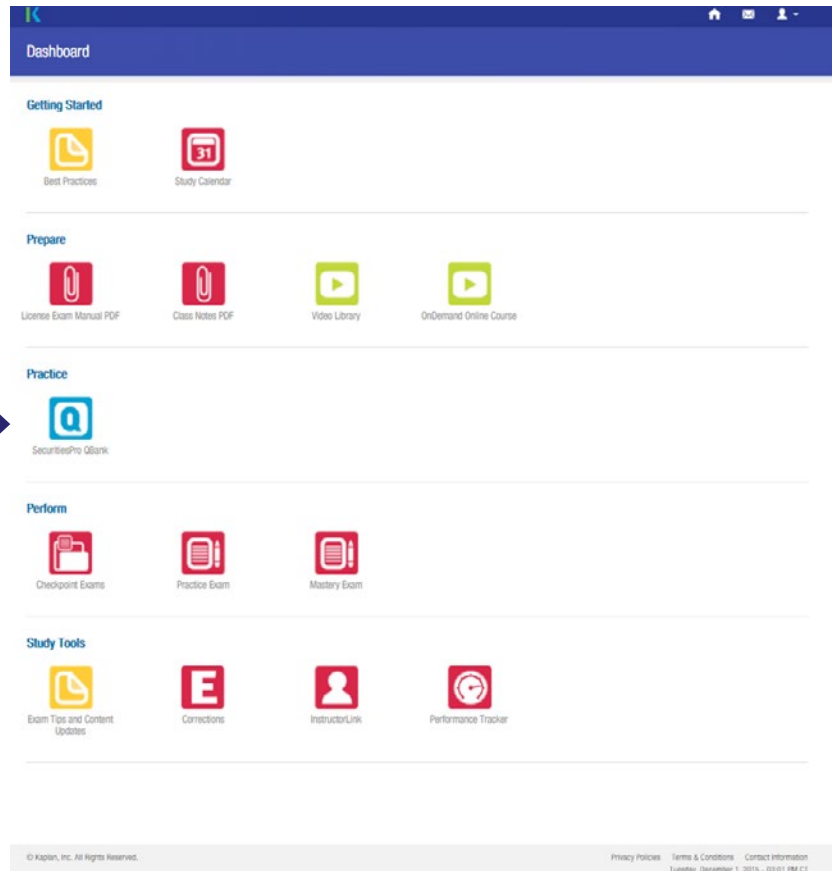
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# QBank Guide step 1

**Online QBank Review Questions:** This robust, interactive database lets you test yourself with practice questions and solutions. After you've completed each unit in the LEM, go to the online QBank to test your knowledge and practice answering exam questions for that specific unit. To begin taking QBank exams, make each exam manageable by setting up approximately 40 questions.

To access the QBank:

- Log in using your Kaplan Username and Password.
- Click on **Series 63** to access your course dashboard.
- Then click on **SecuritiesPro™ QBank** in the practice section of your dashboard.



The screenshot shows the Kaplan University Dashboard with the following sections and links:

- Getting Started:**
  - Best Practices
  - Study Calendar
- Prepare:**
  - License Exam Manual PDF
  - Class Notes PDF
  - Video Library
  - OnDemand Online Course
- Practice:**
  - SecuritiesPro QBank** (highlighted with a blue icon)
- Perform:**
  - Checkpoint Exams
  - Practice Exam
  - Mastery Exam
- Study Tools:**
  - Exam Tips and Content Updates
  - Corrections
  - InstructorLink
  - Performance Tracker

At the bottom of the dashboard, there is a footer with the following text:

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 Tuesday, December 1, 2015 - 03:01 PM ET



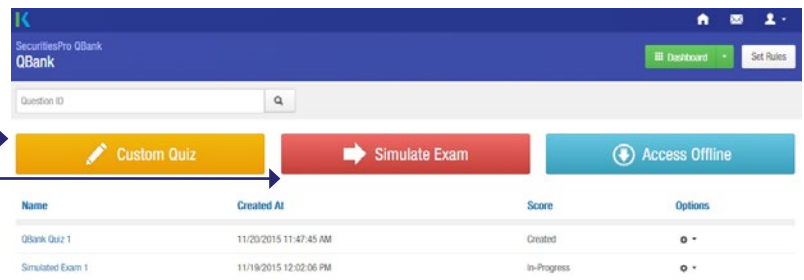
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# QBank Guide step 2

When you enter the QBank, you will have three options: **Custom Quiz**, **Simulate Exam**, or **Access Offline**. You will also be able to review previous exams taken, continue a current exam, or print them out from this page.

To create a new exam, click the **Custom Quiz** button.

To simulate an exam, click the **Simulate Exam** button. This option is designed to replicate your actual exam and should be taken after completing all course work. Your study calendar will indicate when to complete this exam.



The screenshot shows the SecuritiesPro QBank interface. At the top, there's a search bar for 'Question ID'. Below it are three main buttons: 'Custom Quiz' (yellow), 'Simulate Exam' (red), and 'Access Offline' (blue). Below these buttons is a table with the following data:

Name	Created At	Score	Options
QBank Quiz 1	11/29/2015 11:47:45 AM	Created	• •
Simulated Exam 1	11/19/2015 12:02:06 PM	In-Progress	• •

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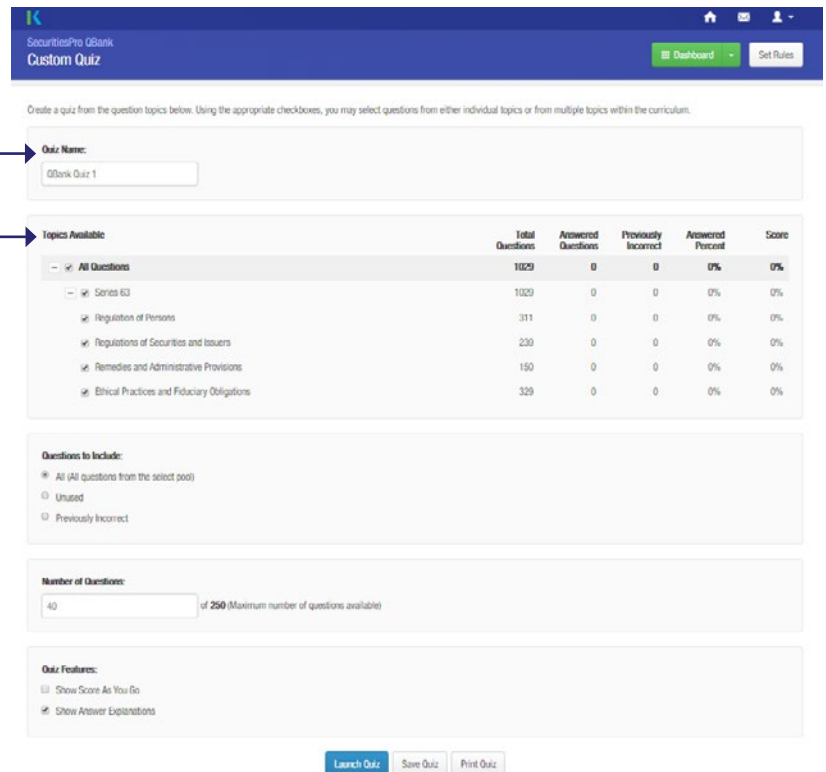
# QBank Guide step 3

In the **Custom Quiz** option, each quiz is automatically named for you, but you do have the ability to rename each one if you prefer. We recommend clearly naming each quiz you take so you can keep track of your progress.  
 Example: Unit 1 Practice Test.

To build your quiz, click the topic areas you would like to be tested on.

You can take individual topic, unit, or comprehensive practice tests as many times as you want. If you would like to include every topic in your quiz, click the **All Questions** box.

We recommend taking QBank exams after completing each unit in your LEM. Include questions in your exams that are specific to the unit you just completed.



SecuritiesPro QBank  
Custom Quiz

Create a quiz from the question topics below. Using the appropriate checkboxes, you may select questions from either individual topics or from multiple topics within the curriculum.

Quiz Name:

Topics Available	Total Questions	Answered Questions	Previously Incorrect	Answered Percent	Score
<input checked="" type="checkbox"/> All Questions	1029	0	0	0%	0%
<input checked="" type="checkbox"/> Series 63	1029	0	0	0%	0%
<input checked="" type="checkbox"/> Regulation of Persons	311	0	0	0%	0%
<input checked="" type="checkbox"/> Regulation of Securities and Issuers	230	0	0	0%	0%
<input checked="" type="checkbox"/> Remedies and Administrative Provisions	150	0	0	0%	0%
<input checked="" type="checkbox"/> Ethical Practices and Fiduciary Obligations	329	0	0	0%	0%

Questions to Include:

- ☒ All (All questions from the select pool)
- ☐ Unused
- ☐ Previously Incorrect

Number of Questions:  
 (of 250 Maximum number of questions available)

Quiz Features:

- ☐ Show Score As You Go
- ☒ Show Answer Explanations

Launch Quiz Save Quiz Print Quiz

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# QBANK Guide step 4

Choose the topics you would like included in your exam and then scroll down to select additional options below:

## Recommendations:

Do not limit the question pool. Check **All** to include all questions in your exam.

### Questions to Include:

- ☒ All (All questions from the select pool)
- ☐ Unused
- ☐ Previously Incorrect

Select 40 questions per exam initially.

### Number of Questions:

of 250 (Maximum number of questions available)

Keep **Show Score As You Go** unchecked. Select **Show Answer Explanations**.

### Quiz Features:

- ☐ Show Score As You Go
- ☒ Show Answer Explanations

Launch Quiz

Save Quiz

Print Quiz

Select **Launch Quiz** to start your quiz, **Save Quiz** to save it for later, or **Print Quiz** to print it out.

## Remediation Tips

- We recommend showing answer explanations after each question and spending time reading each explanation to ensure you comprehend the material versus memorizing the correct answer.

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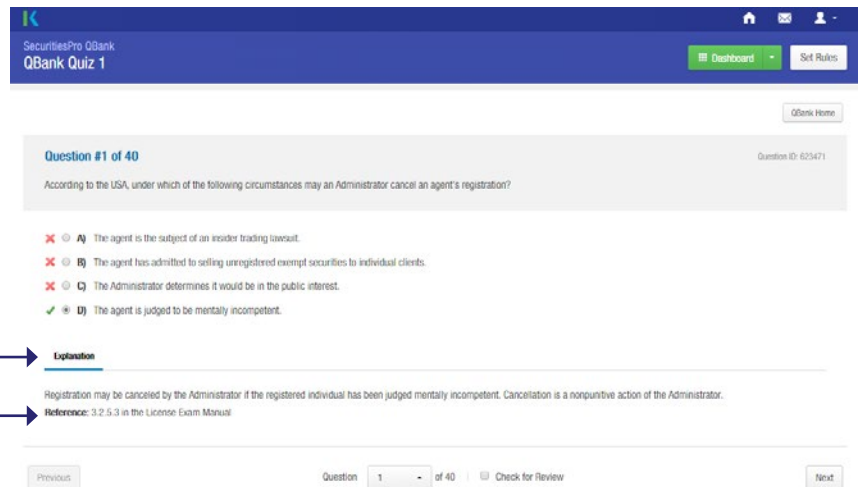
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# QBank Guide step 5



**Question #1 of 40** Question ID: 623471

According to the USA, under which of the following circumstances may an Administrator cancel an agent's registration?

- ☐ A) The agent is the subject of an insider trading lawsuit.
- ☐ B) The agent has admitted to selling unregistered exempt securities to individual clients.
- ☐ C) The Administrator determines it would be in the public interest.
- ☒ D) The agent is judged to be mentally incompetent.

**Explanation**

Registration may be canceled by the Administrator if the registered individual has been judged mentally incompetent. Cancellation is a nonpunitive action of the Administrator.

**Reference:** 3.2.5.3 in the License Exam Manual

Previous Question 1 of 40 Check for Review Next

The **Answer Explanation** selection provides a rationale after each answer.

**Note:** If you need more information, reference codes for the LEM are provided.

## Remediation Tip

- As you read each rationale, take notes regarding topics you should review in the LEM or Video Library.



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## QBank Guide step 6

Results

Points Scored / Total: 38 / 40

Number of Questions: 40

Started Date: 11/19/2015 12:56 PM

Completed Date: 11/19/2015 1:24 PM

Total Time: 00:04:51

**YOUR SCORE**  
**95%**

Review

Question	Points	Correct	Review
1	1/1	✓	Go
2	1/1	✓	Go
3	1/1	✓	Go
4	1/1	✓	Go
5	1/1	✓	Go
6	1/1	✓	Go
7	1/1	✓	Go
8	1/1	✓	Go
9	1/1	✓	Go
10	1/1	✓	Go
11	1/1	✓	Go
12	1/1	✓	Go
13	1/1	✓	Go

Practice test results can be reviewed immediately upon completion of an exam.

There is also a detailed view per question.



# Test-Taking Tips

## Read the Full Question

You cannot expect to answer a question correctly if you do not know what it is asking. Be sure to read the full question before answering it—questions are often written to trap people who assume too much.

## Avoid Jumping to Conclusions and Watch for Hedge Clauses

Watch out for hedge clauses embedded in the question.

Examples of hedge clauses include the terms *if*, *not*, *all*, *none*, and *except*. In the case of *if* statements, the question can be answered correctly only by taking into account the qualifier. If you ignore the qualifier, you will likely not answer correctly.

## Look for Key Words and Phrases

Look for words that are tip-offs to the situation presented. For example, if you see the word *prospectus* in the question, you know the question is about a new issue. Take time to identify the key words to answer this type of question correctly.

## Interpret the Unfamiliar Question

Do not be surprised if some questions on the exam seem unfamiliar at first. If you have studied your material, you will have the information to answer all of the questions correctly. Very often, questions present information indirectly. You may have to interpret the meaning of certain elements before you can answer the question. Be aware that the exam will approach a concept from different angles.

## Memorize Key Points

Reasoning and logic will help you answer many questions, but you will have to memorize a good deal of information.

## Use Information from Prior Questions

Pay attention to all the questions! Sometimes, information found in one question will help you answer a different question.

## Define What is Being Asked

Many questions supply so much information that you lose track of what is being asked. This is often the case in story problems. Learn to separate the story from the question. Take the time to identify what the question is asking. Of course, your ability to do so assumes you have studied sufficiently. There is no good method for correctly answering questions if you don't know the material.

## Beware of Changing Answers

If you are unsure of an answer, your first hunch is the one most likely to be correct. Do not change answers on the exam without good reason. In general, change an answer only if you discover that you did not read the question correctly, or if you find new or additional helpful information in another question.

## Pace Yourself

Some people will finish the exam early, while some will not have time to finish. Watch the time carefully (your time remaining will be displayed on your computer screen) and pace yourself throughout the exam.

If you have any content questions along the way, just send us an email through our **Instructor Email Access**, located on your homepage. We are here to help!

In the event you need to contact our support or service teams:

- Call 888.394.2086
- Email Technical Support: [kfeducation@kaplan.com](mailto:kfeducation@kaplan.com)
- Email Customer Service: [ContactUS@kaplan.com](mailto:ContactUS@kaplan.com)

**Good luck, and thank you for choosing Kaplan!**