



Exhibit 3a
SR-FINRA-2018-011

Private Securities Offerings Representative Qualification Examination (Series 82)

CONTENT OUTLINE

Series 82

PURPOSE OF THE EXAM

The Series 82 exam is designed to assess the competency of entry-level Private Securities Offerings Representatives. The Series 82 exam seeks to measure the degree to which each candidate possesses the knowledge, skills and abilities needed to perform the critical functions of a Private Securities Offerings Representative. In order to obtain registration as a Private Securities Offerings Representative, candidates must pass both the Series 82 exam and a general knowledge co-requisite, the Securities Industry Essentials (SIE) exam. For more information about the Private Securities Offerings Representative registration category, see FINRA Rule 1220(b)(9).

STRUCTURE OF THE EXAM

The exam consists of 50 multiple-choice items, and each item consists of four answer choices. The allocation of exam items for each major function is as follows:

Function	Description	Percentage of Exam Items	Number of Items
1	Seeks Business for the Broker-Dealer from Customers and Potential Customers	50%	25
2	Opens Accounts After Obtaining and Evaluating Customers' Financial Profile and Investment Objectives	18%	9
3	Provides Customers with Information About Investments, Makes Suitable Recommendations, Transfers Assets and Maintains Appropriate Records	26%	13
4	Obtains and Verifies Customers' Purchase Instructions and Agreements; Processes, Completes and Confirms Transactions	6%	3
TOTAL		100%	50

ADMINISTRATION OF THE EXAM

The exam is administered via computer. A tutorial on how to take the exam is provided prior to taking the exam. Each candidate's exam includes 5 additional, unidentified pretest items that do not contribute toward the candidate's score. The pretest items are randomly distributed throughout the exam. Therefore, each candidate's exam consists of a total of 55 items (50 scored and 5 unscored). There is no penalty for guessing. Therefore, candidates should attempt to answer all items. Candidates will be allowed 1 hour and 30 minutes to complete the Series 82 exam.

All candidate test scores are placed on a common scale using a statistical adjustment process known as equating. Equating scores to a common scale accounts for the slight variations in difficulty that may exist among the different sets of exam items that candidates receive. This allows for a fair comparison of scores and ensures that every candidate is held to the same passing standard regardless of which set of exam items they received.

Candidates are not permitted to bring reference materials to their testing session. Severe penalties are imposed on candidates who cheat or attempt to cheat on FINRA-administered exams.

Please visit www.finra.org for additional details.

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Function 1: Seeks Business for the Broker-Dealer from Customers and Potential Customers

- 1.1 **Contacts current and potential customers in person and by telephone, mail and electronic means; develops promotional and advertising materials and seeks appropriate approvals to distribute marketing materials**

Knowledge of:

- Standards and required approvals of public communications
- Types of communications (*e.g.*, retail, institutional, correspondence)
- Limitations on marketing and advertising for private vs. public offerings

FINRA Rule

2210 – Communications with the Public

- 1.2 **Describes investment product offerings and services to current and potential customers with the intent of soliciting business**

Knowledge of:

- Types of securities offerings (*e.g.*, primary, private placement, private investment in public equity (PIPE))
- Private offerings exemptions from registration and classes of securities
- Special issues dealing with electronic offerings
- Methods of distribution (*e.g.*, firm, stand by, all-or-none (AON), best efforts, mini-max)
- Determination of qualified institutional buyer (QIB) or accredited investor status
- Feasibility study and due diligence
 - Components of due diligence (*e.g.*, financial, industry and operational data; management and employee relations; research; product development and expansion)
- Mechanics of distribution
 - Role of placement agent and dealer manager (*e.g.*, contractual obligation to issuer (firm commitment, best efforts), establishment of offering period, gathering of indication of interest (IOI), distribution of private placement memorandum and proceeds, appointment of selling group, selling group agreement)
 - Obligations and liabilities of placement agents and selling group members
 - Components of spread (*e.g.*, dealer manager fee, selling group commission, compensation in the form of warrants of stock)
- Pricing of the issue
- Prohibited compensation practices associated with unregistered introducer or finder
- Regulation A offerings (*e.g.*, purpose, limitation on size of offering, limitation on time period)

FINRA Rule

5123 – Private Placements of Securities

SEC Rules and Regulations

Securities Act of 1933

Section 2 – Definitions

Section 3(a) – Exempted Securities

Section 3(b) – Additional Exemptions

Section 4 – Exempted Transactions

Section 5 – Prohibitions Relating to Interstate Commerce and the Mails

Section 12 – Civil Liabilities Arising in Connection with Prospectuses and Communications

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Securities Exchange Act of 1934

Section 13 – Periodical and Other Reports

Section 15 – Registration and Regulation of Brokers and Dealers

3a4-1 – Associated Persons of an Issuer Deemed Not To Be Brokers

10b-3 – Employment of Manipulative and Deceptive Devices by Brokers or Dealers

10b-9 – Prohibited Representations in Connection with Certain Offerings

15c2-4 – Transmission or Maintenance of Payments Received in Connection with Underwritings

Investment Company Act of 1940

Section 3c-7 – Exemption

Regulation A – Conditional Small Issues Exemption

Regulation A-R – Special Exemptions

134 – Communications Not Deemed a Prospectus

135 – Notice of Proposed Registered Offerings

135a – Generic Advertising

137 – Publications or Distributions of Research Reports by Brokers or Dealers That Are Not Participating in an Issuer's Registered Distribution of Securities

138 – Publications or Distributions of Research Reports by Brokers or Dealers About Securities Other Than Those They Are Distributing

139 – Publications or Distributions of Research Reports by Brokers or Dealers Distributing Securities

144A – Private Resales of Securities to Institutions

147 – Intrastate Sales Exemption

153a – Definition of "Preceded by a Prospectus" as Used in Section 5(b)(2) of the Act, in Relation to Certain Transactions Requiring Approval of Security Holders

Regulation D – Rules Governing the Limited Offer and Sale of Securities Without Registration Under the Securities Act of 1933

500 – Use of Regulation D

501 – Definitions and Terms Used in Regulation D

502 – General Conditions to be Met

503 – Filing of Notice of Sale

504 – Exemption for Limited Offerings and Sales of Securities Not Exceeding \$5,000,000

506 – Exemption for Limited Offers and Sales Without Regard to Dollar Amount of Offering

507 – Disqualifying Provision Relating to Exemptions under Rules 504 and 506

508 – Insignificant Deviations from a Term, Condition or Requirement of Regulation D

Regulation S – Rules Governing Offers and Sales Made Outside the United States Without Registration Under the Securities Act of 1933

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Function 2: Opens Accounts After Obtaining and Evaluating Customers' Financial Profile and Investment Objectives

2.1 Informs customers of the types of accounts and their appropriateness and provides disclosures regarding various account types and restrictions

Knowledge of:

- Requirements for opening customer accounts
- Legal, regulatory and ERISA requirements
- Account registration changes and internal transfers

FINRA Rules

2268 – Requirements When Using Pre-dispute Arbitration Agreements for Customer Accounts

4512 – Customer Account Information

Employee Retirement Income Security Act of 1974 (ERISA)

2.2 Obtains and updates customer information and documentation, including required legal documents and identifies and escalates suspicious activity

Knowledge of:

- Identification of potential investors and confidentiality agreement
- Customer screening (e.g., customer identification program (CIP), know your customer (KYC), articles of incorporation)
- Account authorizations (e.g., power of attorney (POA), trust documents, corporate resolutions)
- Account and supplementary documentation
 - Documentation of customer authorization (e.g., full, limited)
 - Documentation necessary for electronic private placement offerings
 - Qualified institutional buyer (QIB) certification letter
 - Subscription agreement
 - Investor questionnaire
- Information security and privacy regulations (e.g., initial privacy disclosures to customers, opt-out notices, disclosure limitations, exceptions)

FINRA Rule

2090 – Know Your Customer

SEC Rules and Regulations

Regulation S-P – Privacy of Consumer Financial Information and Safeguarding Personal Information

2.3 Makes reasonable efforts to obtain customer investment profile information including, but not limited to, the customer's other security holdings, financial situation and needs, tax status and investment objectives

Knowledge of:

- Essential facts regarding customers and customer relationships
- Financial factors relevant to assessing a customer's investment profile
 - Security holdings, other assets and liabilities, annual income, net worth, tax considerations

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- Other considerations (*e.g.*, age, marital status, dependents, employment, investment experience, home ownership and financing, employee stock options, insurance, liquidity needs)
- Investment objectives (*e.g.*, preservation of capital, income, growth, speculation)
- Tax consequences of securities transactions (*e.g.*, holding period, basis, dividends, interest income)
- Verification of investor accreditation and sophistication

FINRA Rule

2111 – Suitability

2.4 Obtains supervisory approvals required to open accounts

Knowledge of:

- Required review, approvals and documentation for account opening and maintenance
- Physical receipt, delivery and safeguarding of cash or cash equivalents, checks and securities
- Circumstances for refusing or closing accounts

FINRA Rules

3110 – Supervision

3120 – Supervisory Control System

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Function 3: Provides Customers with Information About Investments, Makes Suitable Recommendations, Transfers Assets and Maintains Appropriate Records

3.1 Provides customers with information about investment strategies, risks and rewards, and communicates relevant market, investment and research data to customers

Knowledge of:

- Fair and balanced communications with respect to the characteristics and risks of investment products
- Appropriate disclosure information and other potential conflicts of interest
- Requirement to furnish most recent report of the firm's financial condition

3.2 Reviews and analyzes customers' investment profiles and product options to determine suitable investment recommendations

Knowledge of:

- Suitability
 - Ability to understand risks of the underlying investment
 - Alignment of investment objective of product with investor profile
 - Composition and diversification of investor's current portfolio
- Product options
 - Equity and debt instruments in the context of private placements
- Appropriate mix of conservative and speculative securities in a portfolio derived from customer's ability to risk loss of principal and income
- Concentration of investment in a small number of issues versus diversification
- Concentrated portfolios or portfolios heavily invested in speculative securities require an ability to hold securities during market fluctuations and also require significant investment management talents
- Other risk factors and portfolio policies

FINRA Rules

- 2090 – Know Your Customer
- 2111 – Suitability
- 2121 – Fair Prices and Commissions
- 5122 – Private Placements of Securities Issued by Members
- 5240 – Anti-Intimidation/Coordination

3.3 Provides appropriate disclosures regarding investment products and their characteristics, risks, services and expenses

Knowledge of:

- Risk and the construction of investment portfolio
 - Definition of purchasing power risk and its effect on the constant dollar value of income and principal in different types of investments
 - Balanced portfolio of bonds, preferred, common and convertible issues provides downside protection and potential inflation hedge
 - Marketability of securities in the portfolio and customer liquidity needs
 - Taxability of securities in the portfolio and customer tax bracket
 - Callability of securities in the portfolio and the importance of call protection given customer investment objectives

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- Convertibility of securities in the portfolio, the value of the conversion feature and the effect of potential forced conversions on customer objectives
- Appropriate mix of maturity schedules on debt obligations derived from customer's ability to risk loss of principal and income

FINRA Rules

- 2122 – Charges for Services Performed
- 2165 – Financial Exploitation of Specified Adults
- 2232 – Customer Confirmations

3.4 Communicates with customers about account information, processes requests and retains documentation

Knowledge of:

- Books and records
- Regulation FD

FINRA Rules

- 2273 – Educational Communication Related to Recruitment Practices and Account Transfers
- 4510 – Books and Records Requirements

SEC Rules and Regulations

- Securities Exchange Act of 1934
 - 17a-3 – Records To Be Made by Certain Exchange Members, Brokers and Dealers
 - 17a-4 – Records To Be Preserved by Certain Exchange Members, Brokers and Dealers
 - 17a-8 – Financial Recordkeeping and Reporting of Currency and Foreign Transactions
- Regulation FD – Disclosure Requirements

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Function 4: Obtains and Verifies Customers' Purchase Instructions and Agreements; Processes, Completes and Confirms Transactions

4.1 Processes and confirms customers' transactions pursuant to regulatory requirements

Knowledge of:

- Required subscription agreements or internal documents
- Retention of subscription agreement
- Payment and contractual settlement for private placement securities
- Transaction disclosure requirements

FINRA Rules

- 2140 – Interfering with the Transfer of Customer Accounts in the Context of Employment Disputes
- 2232 – Customer Confirmations

SEC Rules and Regulations

- Securities Exchange Act of 1934
- 10b-10 – Confirmation of Transactions

4.2 Informs the appropriate supervisor and assists in the resolution of discrepancies, disputes, errors and complaints

Knowledge of:

- Requirements for addressing customer complaints and consequences of improper handling of complaints
- Methods of formal resolution (*e.g.*, arbitration, mediation, litigation)
- Form U4 reporting requirements

FINRA Rules

- 4513 – Records of Written Customer Complaints
- 4530 – Reporting Requirements
- 8000 Series – Investigations and Sanctions
- 12000 Series – Code of Arbitration Procedure for Customer Disputes
- 13000 Series – Code of Arbitration Procedure for Industry Disputes
- 14000 Series – Code of Mediation Procedure