

# FINRA Series 57

**FINRA SECURITIES TRADER REPRESENTATIVE EXAM  
CERTIFICATION QUESTIONS & ANSWERS**

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Exam Summary – Syllabus – Questions

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## **SERIES 57**

**[FINRA Series 57 - Securities Trader Representative Exam](#)**

**50 Questions Exam – 70% Cut Score – Duration of 105 minutes**

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## Know Your Series 57 Certification Well:

The Series 57 is best suitable for candidates who want to gain knowledge in the FINRA Representative-level. Before you start your Series 57 preparation you may struggle to get all the crucial Securities Trader Representative Exam materials like Series 57 syllabus, sample questions, study guide.

But don't worry the Series 57 PDF is here to help you prepare in a stress free manner.

The PDF is a combination of all your queries like-

- What is in the Series 57 syllabus?
- How many questions are there in the Series 57 exam?
- Which Practice test would help me to pass the Series 57 exam at the first attempt?

Passing the Series 57 exam makes you FINRA Series 57 - Securities Trader Representative Exam. Having the Securities Trader Representative Exam certification opens multiple opportunities for you. You can grab a new job, get a higher salary or simply get recognition within your current organization.

## FINRA Series 57 Securities Trader Representative Exam Certification Details:

Exam Name	FINRA Securities Trader Representative Exam
Exam Code	Series 57
Exam Fee	USD \$105
Exam Duration	105 Minutes
Number of Questions	50
Passing Score	70%
Format	Multiple Choice Questions
Schedule Exam	<a href="#">Prometric</a>
Sample Questions	<a href="#">FINRA TD Exam Sample Questions and Answers</a>
Practice Exam	<a href="#">FINRA Series 57 - Securities Trader Representative Exam Practice Test</a>

## Series 57 Syllabus:

Topic	Details
<b>Trading Activities - 82%</b>	
Understanding General Trading Practices	
Achieving Market Making Status	- Knowledge of: <ul style="list-style-type: none"> <li>• The role of the floor broker</li> </ul>

Topic	Details
	<ul style="list-style-type: none"> <li>• The use of market participant identifiers (MPIDs)</li> <li>• Responsibilities of a qualified block positioner</li> <li>• Registration as a market maker</li> <li>• Net capital requirements</li> </ul> <p>- FINRA Rules</p> <ul style="list-style-type: none"> <li>• 6276 – Voluntary Termination of Registration</li> <li>• 5250 – Payments for Market Making</li> <li>• 6271 – Registration as an ADF Market Maker or ADF ECN</li> <li>• 6275 – Withdrawal of Quotations</li> <li>• 6480 – Multiple MPIDs for Quoting and Trading in OTC Equity Securities</li> </ul> <p>- SEC Rules and Regulations</p> <ul style="list-style-type: none"> <li>• Securities Exchange Act of 1934               <ul style="list-style-type: none"> <li>- Section 3(a)(38) – Definition of a Market Maker</li> <li>- 3b-8 – Definitions of “Qualified OTC Market Maker,” “Qualified Third Market Maker” and “Qualified Block Positioner”</li> </ul> </li> </ul>
<p>Understanding Order Types</p>	<p>- Knowledge of:</p> <ul style="list-style-type: none"> <li>• Different order types and their use in the marketplace including:               <ul style="list-style-type: none"> <li>- Market</li> <li>- Limit</li> <li>- Stop</li> <li>- Stop limit</li> <li>- Market-on-open (MOO), Market-on-close (MOC)</li> <li>- Contingent/stipulation (e.g., day, good-till-canceled (GTC))</li> <li>- Reserve</li> <li>- Peg</li> </ul> </li> </ul> <p>- NYSE American Rules</p> <ul style="list-style-type: none"> <li>• 900.3NY – Orders Defined</li> </ul> <p>- NYSE Arca Rules</p> <ul style="list-style-type: none"> <li>• 6.62-O – Certain Types of Orders Defined</li> <li>• 7.31-E – Orders and Modifiers</li> </ul>
<p>Market Access</p>	<p>- Knowledge of:</p> <ul style="list-style-type: none"> <li>• Requirements for direct market access (DMA)/sponsored access</li> <li>• The purpose of credit and capital limits</li> </ul>

Topic	Details
	<ul style="list-style-type: none"> <li>• Identifying pre-trade risk controls</li> <li>- SEC Rules and Regulations               <ul style="list-style-type: none"> <li>• Securities Exchange Act of 1934                   <ul style="list-style-type: none"> <li>- 15c3-5 – Risk Management Controls for Brokers or Dealers with Market Access</li> </ul> </li> </ul> </li> </ul>
Identifying and Handling Clearly Erroneous Transactions	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Identifying minimum criteria necessary for a transaction to qualify as clearly erroneous</li> <li>• Nullification and adjustment of transactions including obvious errors</li> </ul> </li> <li>- FINRA Rule               <ul style="list-style-type: none"> <li>• 11890 Series – Clearly Erroneous Transactions</li> </ul> </li> </ul>
Display, Execution and Trading Systems	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Understanding order entry parameters</li> <li>• Trading rotations</li> <li>• The use of the Alternative Display Facility (ADF)</li> <li>• The role of alternative trading systems (ATS)</li> </ul> </li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 6200 Series – Alternative Display Facility (ADF)                   <ul style="list-style-type: none"> <li>• 6210 – General</li> <li>• 6220 – Definitions</li> <li>• 6230 – Use of Alternative Display Facility Data Systems</li> <li>• 6240 – Prohibition from Locking or Crossing Quotations in NMS Stocks</li> <li>• 6250 – Quote and Order Access Requirements</li> <li>• 6260 – Review of Direct or Indirect Access Complaints</li> <li>• 6273 – Normal Business Hours</li> </ul> </li> </ul> </li> <li>- SEC Rules and Regulations               <ul style="list-style-type: none"> <li>• Regulation ATS                   <ul style="list-style-type: none"> <li>- 300 – Definitions</li> <li>- 301 – Requirements for Alternative Trading Systems</li> <li>- 302 – Recordkeeping Requirements for Alternative Trading Systems</li> <li>- 303 – Record Preservation Requirements for Alternative Trading Systems</li> </ul> </li> </ul> </li> </ul>

Topic	Details
Identifying and Avoiding Prohibited Activities	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Prohibited activities</li> <li>• Trading ahead of research reports</li> <li>• Use of material nonpublic information for insider trading</li> <li>• Use of trading schemes (e.g., prearranged trading, spoofing, pump and dump)</li> <li>• Engaging in conduct that influences or intimidates other market participants</li> </ul> </li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 5200 Series - Quotation and Trading Obligations and Practices</li> <li>• 5230 – Payments Involving Publications that Influence the Market Price of a Security</li> <li>• 5270 – Front Running of Block Transactions</li> <li>• 5280 – Trading Ahead of Research Reports</li> <li>• 5240 – Anti-Intimidation/Coordination</li> <li>• 5290 – Order Entry and Execution Practices</li> </ul> </li> <li>- SEC Rules and Regulations               <ul style="list-style-type: none"> <li>• Securities Exchange Act of 1934                   <ul style="list-style-type: none"> <li>- Section 9 – Prohibition Against Manipulation of Security Prices</li> <li>- Section 15(g) – Registration and Regulation of Brokers and Dealers (policies and procedures to be developed by broker-dealers to prevent misuse of material nonpublic information)</li> <li>- 10b-5 – Employment of Manipulative and Deceptive Devices</li> <li>- 10b5-2 – Duties of Trust or Confidence in Misappropriation Insider Trading Cases</li> </ul> </li> </ul> </li> </ul>
Disseminating Quotes and Trade Advertisements	<ul style="list-style-type: none"> <li>- Knowledge of :               <ul style="list-style-type: none"> <li>• Quotations and trading halts</li> <li>• Halt and imbalance crosses</li> <li>• Trade volume advertising</li> <li>• Publishing indications of interest (IOI)</li> <li>• Volatility trading pauses (VTPs)</li> <li>• Offers at stated prices</li> </ul> </li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 5200 Series - Quotation and Trading Obligations and Practices                   <ul style="list-style-type: none"> <li>- 5210 – Publication of Transactions and</li> </ul> </li> </ul> </li> </ul>

Topic	Details
	<p>Quotations</p> <ul style="list-style-type: none"> <li>- 5220 – Offers at Stated Prices</li> <li>- 5260 – Prohibition on Transactions, Publication of Quotations, or Publication of Indications of Interest During Trading Halts</li> <li>• 6000 Series – Quotation, Order, and Transaction Reporting Facilities</li> <li>- 6120 – Trading Halts</li> <li>- 6121 – Trading Halts Due to Extraordinary Market Volatility</li> <li>- 6190 – Compliance with Regulation NMS Plan to Address Extraordinary Market Volatility</li> <li>- 6272 – Character of Quotations</li> <li>- 6277/6360A/6360B – Suspension and Termination of Quotations by FINRA Action</li> <li>- 6440 – Trading and Quotation Halt in OTC Equity Securities</li> </ul> <p>- SEC Rules and Regulations</p> <ul style="list-style-type: none"> <li>• Regulation NMS</li> <li>- 602 – Dissemination of Quotations in NMS Securities</li> <li>- 610 – Access to Quotations</li> </ul>
<b>Trading Specific Products</b>	
<p>Initial Public Offerings (IPOs), Secondary Offerings and Safe Harbor</p>	<ul style="list-style-type: none"> <li>- Knowledge of: <ul style="list-style-type: none"> <li>• Permitted and prohibited trading activities related to IPOs and secondary offerings</li> <li>• Penalty bids</li> <li>• Stabilizing bids</li> <li>• Passive market making</li> <li>• Required notification related to IPOs and secondary offerings</li> <li>• Trading within safe harbors</li> </ul> </li> <li>- FINRA Rules <ul style="list-style-type: none"> <li>• 5131 – New Issue Allocations and Distributions</li> <li>• 5190(e) – Notice of Penalty Bids and Syndicate Covering Transactions in OTC Equity Securities</li> <li>• 6130 – Transactions Related to Initial Public Offerings</li> <li>• 6435 – Withdrawal of Quotations in an OTC Equity Security in Compliance with SEC Regulation M</li> </ul> </li> </ul>

Topic	Details
	<ul style="list-style-type: none"> <li>- SEC Rules and Regulations               <ul style="list-style-type: none"> <li>• Securities Act of 1933</li> <li>• Regulation D – Rules Governing the Limited Offer and Sale of Securities Without Registration Under the Securities Act of 1933</li> <li>• Securities Exchange Act of 1934                   <ul style="list-style-type: none"> <li>- Section 5 – Transactions on Unregistered Exchanges</li> <li>- 10b5-1 – Trading “On The Basis Of” Material Nonpublic Information in Insider Trading Cases</li> <li>- 10b-18 – Purchases of Certain Equity Securities By the Issuer and Others Regulation M</li> <li>- 101 – Activities By Distribution Participants</li> <li>- 102 – Activities By Issuers and Selling Security Holders During a Distribution</li> <li>- 103 – Nasdaq Passive Market Making</li> <li>- 104 – Stabilizing and Other Activities in Connection with an Offering</li> <li>- 105 – Short Sales in Connection with a Public Offering</li> </ul> </li> </ul> </li> </ul>
<p>Non-listed and Penny Stocks</p>	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Characteristics of penny stocks</li> <li>• Disclosure requirements</li> <li>• Over-the-counter (OTC) quoting and trading</li> <li>• Initiating or resuming market making (Form 211)</li> </ul> </li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 6140 – Other Trading Practices</li> <li>• 6400 Series – Quoting and Trading in OTC Equity Securities                   <ul style="list-style-type: none"> <li>- 6410 – General</li> <li>- 6420 – Definitions</li> <li>- 6432 – Compliance with the Information Requirements of SEA Rule 15c2-11</li> <li>- 6433 – Minimum Quotation Size Requirements for OTC Equity Securities</li> <li>- 6434 – Minimum Pricing Increment for OTC Equity Securities</li> <li>- 6437 – Prohibition from Locking or Crossing Quotations in OTC Equity Securities</li> <li>- 6438 – Displaying Priced Quotations in</li> </ul> </li> </ul> </li> </ul>

Topic	Details
	<p>Multiple Quotation Mediums</p> <ul style="list-style-type: none"> <li>- 6460 – Display of Customer Limit Orders</li> </ul> <p>- SEC Rules and Regulations</p> <ul style="list-style-type: none"> <li>• Securities Exchange Act of 1934</li> <li>- Section 3(a)(51) – Definition of Penny Stock</li> <li>- 15c2-11 – Initiation or Resumption of Quotations Without Specified Information</li> <li>- 15g-1 – Exemptions for Certain Transactions</li> <li>- 15g-3 – Broker or Dealer Disclosure of Quotations and Other Information Relating to the Penny Stock Market</li> <li>- 15g-4 – Disclosure of Compensation to Brokers or Dealers</li> <li>- 15g-5 – Disclosure of Compensation to Associated Persons in Connection with Penny Stock Transactions</li> <li>- 15g-8 – Sales of Escrowed Securities of Blank Check Companies</li> </ul>
Options Trading	<ul style="list-style-type: none"> <li>- Knowledge of: <ul style="list-style-type: none"> <li>• Option orders and types including spreads, straddles and combinations</li> <li>• Index options (e.g., Cboe Volatility Index (VIX))</li> <li>• Exercise and assignment</li> <li>• Tender of exercise notices</li> <li>• Position and exercise limits</li> </ul> </li> <li>- Cboe Rules <ul style="list-style-type: none"> <li>• 5.6 – Order Types, Order Instructions, and Time-in-Force</li> <li>• 6.20 – Exercise of Option Contracts</li> <li>• 6.21 – Allocation of Exercise Notices</li> <li>• 8.30 – Position Limits</li> <li>• 8.31 – Position Limits for Broad-Based Index Options</li> <li>• 8.32 – Position Limits for Industry Index Options</li> <li>• 8.33 – Position Limits for Options on Micro Narrow-Based Indexes as Defined Under Rule 24.2(d)</li> <li>• 8.34 – Position Limits for Individual Stock or ETF Volatility Index Options</li> <li>• 8.35 – Position Limits for FLEX Options</li> <li>8.42 – Exercise Limits</li> </ul> </li> </ul>

Topic	Details
	<ul style="list-style-type: none"> <li>• 8.42 – Exercise Limits</li> <li>• 8.43 – Reports Related to Position Limits</li> </ul>
Handling and Executing Short Sales	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Short sale regulations</li> <li>• Locates and borrows</li> <li>• Price test</li> <li>• Close-out requirements</li> <li>• Order marking requirements</li> <li>• Short sale exemptions</li> </ul> </li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 6182 – Trade Reporting of Short Sales</li> <li>• 6624 – Trade Reporting of Short Sales</li> </ul> </li> <li>- SEC Rules and Regulations               <ul style="list-style-type: none"> <li>• Regulation SHO                   <ul style="list-style-type: none"> <li>- 200 – Definition of “Short Sale” and Marking Requirements</li> <li>- 201 – Circuit Breaker</li> <li>- 203 – Borrowing and Delivery Requirements</li> <li>- 204 – Close-out Requirement</li> </ul> </li> </ul> </li> </ul>
Handling Customer Orders	
Meeting Obligations to Customers Regarding Orders	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Market hours vs. pre- and post-market trading</li> <li>• Best execution requirements</li> <li>• Adjustment of orders for stock splits, dividends</li> <li>• Fair prices and commissions</li> <li>• Net transactions</li> <li>• Order marking</li> </ul> </li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 2010 – Standards of Commercial Honor and Principles of Trade</li> <li>• 2121 – Fair Prices and Commissions</li> <li>• 2124 – Net Transactions with Customers</li> <li>• 2265 – Extended Hours Trading Risk Disclosure</li> <li>• 5300 Series – Handling of Customer Orders                   <ul style="list-style-type: none"> <li>- 5310 – Best Execution and Interpositioning</li> <li>- 5330 – Adjustment of Orders</li> <li>- 5350 – Stop Orders</li> </ul> </li> <li>• 6140 – Other Trading Practices</li> </ul> </li> </ul>
Identifying and Avoiding Prohibited Practices	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Trading ahead of customer orders</li> <li>• Use of manipulative or deceptive devices</li> </ul> </li> </ul>

Topic	Details
	<ul style="list-style-type: none"> <li>• Prohibited transactions of investment advisers</li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 2020 – Use of Manipulative, Deceptive or Other Fraudulent Devices</li> <li>• 5320 – Prohibition Against Trading Ahead of Customer Orders</li> </ul> </li> <li>- Investment Advisers Act of 1940               <ul style="list-style-type: none"> <li>• Section 206 – Prohibited Transactions by Investment Advisers</li> </ul> </li> </ul>
Regulation NMS	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Order protection</li> <li>• Customer limit order display requirements</li> <li>• Trade through protection</li> <li>• Sub-Penny Rule</li> </ul> </li> <li>- SEC Rules and Regulations               <ul style="list-style-type: none"> <li>• Regulation NMS – Regulation of the National Market System                   <ul style="list-style-type: none"> <li>- 600 – NMS Security Designation and Definitions</li> <li>- 604 – Display of Customer Limit Orders</li> <li>- 611 – Order Protection Rule</li> <li>- 612 – Minimum Price Increments</li> </ul> </li> </ul> </li> </ul>
<b>Maintaining Books and Records, Trade Reporting and Clearance and Settlement - 18%</b>	
Reporting Trades to the Designated Reporting Facility	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Distinctions among reporting facilities</li> <li>• Trade reporting requirements (e.g., modifiers, timing, trade acceptance)</li> </ul> </li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 6100 Series – Quoting and Trading in NMS Stock                   <ul style="list-style-type: none"> <li>- 6110 – Trading Otherwise than on an Exchange</li> <li>- 6160 – Multiple MPIDs for Trade Reporting Facility Participants</li> <li>- 6170 – Multiple MPIDs for Alternative Display Facility Participants</li> <li>- 6181 – Timely Transaction Reporting</li> <li>- 6183 – Exemption from Trade Reporting Obligation for Certain Alternative Trading Systems</li> </ul> </li> </ul> </li> </ul>

Topic	Details
	<ul style="list-style-type: none"> <li>• 6280 Series – Transaction Reporting                             <ul style="list-style-type: none"> <li>- 6281 – Reporting Transactions in ADF-Eligible Securities</li> <li>- 6282 – Transactions Reported by Members to the ADF</li> </ul> </li> <li>• 7100 Series – Alternative Display Facility                             <ul style="list-style-type: none"> <li>- 7110 – Definitions</li> <li>- 7120 – Trade Reporting Participation Requirements</li> <li>- 7130 – Trade Report Input</li> <li>- 7140 – Trade Report Processing</li> <li>- 7150 – Obligation to Honor Trades</li> <li>- 7160 – Audit Trail Requirements</li> </ul> </li> <li>• 6300A/7200A Series – FINRA/Nasdaq Trade Reporting Facility</li> <li>• 6300B/7200B Series – FINRA/NYSE Trade Reporting Facility                             <ul style="list-style-type: none"> <li>- 6310A/6300B – General</li> <li>- 6320A/6320B – Definitions</li> <li>- 6380A/6380B – Transaction Reporting</li> <li>- 7210A/7210B – Definitions</li> <li>- 7220A/7220B – Trade Reporting Participation Requirements</li> <li>- 7230A/7230B – Trade Report Input</li> <li>- 7240A/7240B – Trade Report Processing</li> <li>- 7250A/7250B – Obligation to Honor Trades</li> <li>- 7260A/7260B – Audit Trail Requirements</li> <li>- 7270A/7270B – Violation of Reporting Rules</li> </ul> </li> <li>• 6550 – Transaction Reporting (OTCBB)</li> <li>• 6600 Series – OTC Reporting Facility                             <ul style="list-style-type: none"> <li>- 6610 – General</li> <li>- 6621 – Definitions</li> <li>- 6622 – Transaction Reporting</li> <li>- 6623 – Timely Transaction Reporting</li> <li>- 6625 – Exemption from Trade Reporting Obligation for Certain Alternative Trading Systems</li> </ul> </li> <li>• 7300 Series – OTC Reporting Facility                             <ul style="list-style-type: none"> <li>- 7310 – Definitions</li> <li>- 7320 – Trade Reporting Participation Requirements</li> <li>- 7330 – Trade Report Input</li> </ul> </li> </ul>

Topic	Details
	<ul style="list-style-type: none"> <li>- 7340 – Trade Report Processing</li> <li>- 7350 – Obligation to Honor Trades</li> <li>- 7360 – Audit Trail Requirements</li> <li>- 7370 – Violation of Reporting Rules</li> </ul>
<p>Creating, Retaining and Reporting Required Records of Orders and Transactions</p>	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Large Trade ID and related reporting and monitoring requirements</li> <li>• Order execution/routing information</li> <li>• Consolidated Audit Trail (CAT) reporting obligations, including timing and required fields</li> <li>• Consolidated Options Audit Trail System (COATS)</li> <li>• Books and records requirements and pre-time stamping</li> <li>• ATS transparency</li> </ul> </li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 4511 – General Requirements</li> <li>• 4515 – Approval and Documentation of Changes in Account Name or Designation</li> <li>• 4590 – Synchronization of Member Business Clocks</li> <li>• 5340 – Pre-Time Stamping</li> <li>• 6800 Series – Consolidated Audit Trail Compliance Rule</li> <li>• 6810 – Definitions</li> <li>• 6820 – Clock Synchronization</li> <li>• 6830 – Industry Member Data Reporting</li> <li>• 6890 – Recordkeeping</li> </ul> </li> <li>- SEC Rules and Regulations               <ul style="list-style-type: none"> <li>• Securities Exchange Act of 1934 Rules                   <ul style="list-style-type: none"> <li>- 13h-1 – Large Trader Reporting</li> <li>- 17a-3 – Records To Be Made By Certain Exchange Members, Brokers and Dealers</li> </ul> </li> <li>• Regulation NMS                   <ul style="list-style-type: none"> <li>- 605 – Disclosure of Order Execution Information</li> <li>- 606 – Disclosure of Order Routing Information</li> <li>- 613 – Consolidated Audit Trail</li> </ul> </li> </ul> </li> <li>- Cboe Rules               <ul style="list-style-type: none"> <li>• 6.1 – Report Transactions to the Exchange</li> </ul> </li> </ul>

Topic	Details
	<ul style="list-style-type: none"> <li>• 7.1 – Maintenance, Retention and Furnishing of Books, Records and Other Information</li> <li>• 7.5 – Automated Submission of Trading Data</li> </ul>
Clearance and Settlement	<ul style="list-style-type: none"> <li>- Knowledge of:               <ul style="list-style-type: none"> <li>• Confirmations</li> <li>• Standard settlement time frames for various products</li> <li>• Options Clearing Corporation (OCC) assignment procedure</li> <li>• Close-out requirements for various products</li> </ul> </li> <li>- FINRA Rules               <ul style="list-style-type: none"> <li>• 2232 – Customer Confirmations</li> <li>• 6274/6350A/6350B – Clearance and Settlement</li> <li>• 11000 Series – Uniform Practice Code                   <ul style="list-style-type: none"> <li>- 11130 – When, As and If Issued/Distributed Contracts</li> <li>- 11140 – Transactions in Securities “Ex-Dividend,” “Ex-Rights” or “Ex-Warrants”</li> <li>- 11320 – Dates of Delivery</li> </ul> </li> </ul> </li> <li>- SEC Rules and Regulations               <ul style="list-style-type: none"> <li>• Securities Exchange Act of 1934                   <ul style="list-style-type: none"> <li>- 10b-10 – Confirmation of Transactions</li> <li>- 15c6-1 – Settlement Cycle</li> </ul> </li> </ul> </li> <li>- Cboe Rules               <ul style="list-style-type: none"> <li>• 6.2 – Exercise of Option Contracts</li> <li>• 6.4 – Reporting of Trades to OCC</li> <li>• 6.21 – Allocation of Exercise Notices</li> <li>• 6.22 – Delivery and Payment</li> </ul> </li> </ul>

## FINRA Series 57 Sample Questions:

### Question: 1

FINRA halts trading in an OTC equity security due to regulatory concerns. What must firms do during the halt?

- a) Cease trading and quoting
- b) Continue quoting only
- c) Cancel all customer orders permanently
- d) Execute only customer orders

**Answer: a**

**Question: 2**

A firm provides customers with direct market access to exchanges. Which control is required to comply with market access rules?

- a) Issuer approval for each order
- b) Pre-trade credit and capital controls
- c) Manual review of all executions
- d) Post-trade surveillance only

**Answer: b****Question: 3**

A broker-dealer intends to quote continuously and trade for its own account in an OTC equity security. What must the firm do to meet the regulatory definition of a market maker?

- a) File Form 211 only
- b) Register as a market maker and satisfy net capital requirements
- c) Obtain issuer consent prior to quoting
- d) Trade exclusively through an ATS

**Answer: b****Question: 4**

Trading in a security is halted due to extraordinary market volatility. What is the primary regulatory objective of this halt?

- a) Prevent trade reporting
- b) Allow dissemination of material information
- c) Promote orderly markets and price discovery
- d) Reduce settlement risk

**Answer: c****Question: 5**

A trading venue matches buyers and sellers without being a registered exchange. Under which regulatory framework does this system operate?

- a) Regulation NMS
- b) Regulation ATS
- c) Regulation SHO
- d) Regulation M

**Answer: b**

**Question: 6**

A trader submits an order with instructions to execute immediately at the best available price. Which risk is most associated with this order type?

- a) Violation of Reg NMS
- b) Automatic cancellation
- c) Execution at an unfavorable price
- d) Failure to execute

**Answer: c**

**Question: 7**

Before executing a short sale, what must the firm generally obtain?

- a) Exchange consent
- b) Issuer approval
- c) Customer confirmation
- d) A locate or reasonable grounds to believe shares can be borrowed

**Answer: d**

**Question: 8**

During an IPO, a syndicate places bids to support the offering price. Which activity describes this practice?

- a) Stabilizing bids
- b) Passive market making
- c) Short covering
- d) Penalty bids

**Answer: a**

**Question: 9**

Repeated settlement failures are identified during an examination. What is the most likely regulatory concern?

- a) Pricing volatility
- b) Inadequate operational controls
- c) Excessive trading profits
- d) Customer suitability

**Answer: b**

**Question: 10**

After executing a trade, a firm must provide the customer with a confirmation. Which rule governs this requirement?

- a) FINRA Rule 2232
- b) FINRA Rule 2010
- c) FINRA Rule 5310
- d) FINRA Rule 6182

**Answer: a**

## Study Guide to Crack FINRA Securities Trader Representative Exam Series 57 Exam:

- Getting details of the Series 57 syllabus, is the first step of a study plan. This pdf is going to be of ultimate help. Completion of the syllabus is must to pass the Series 57 exam.
- Making a schedule is vital. A structured method of preparation leads to success. A candidate must plan his schedule and follow it rigorously to attain success.
- Joining the FINRA provided training for Series 57 exam could be of much help. If there is specific training for the exam, you can discover it from the link above.
- Read from the Series 57 sample questions to gain your idea about the actual exam questions. In this PDF useful sample questions are provided to make your exam preparation easy.
- Practicing on Series 57 practice tests is must. Continuous practice will make you an expert in all syllabus areas.

### Reliable Online Practice Test for Series 57 Certification

Make ProcessExam.com your best friend during your FINRA Securities Trader Representative Exam exam preparation. We provide authentic practice tests for the Series 57 exam. Experts design these online practice tests, so we can offer you an exclusive experience of taking the actual Series 57 exam. We guarantee you 100% success in your first exam attempt if you continue practicing regularly. Don't bother if you don't get 100% marks in initial practice exam attempts. Just utilize the result section to know your strengths and weaknesses and prepare according to that until you get 100% with our practice tests. Our evaluation makes you confident, and you can score high in the Series 57 exam.

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