

## CSOP Examination Outline

The knowledge areas below are the basis for the Certified Securities Operations Professional (CSOP) examination. These knowledge areas were derived from a job analysis study and were validated by the CSOP Advisory Board. Post-certification programs that address these knowledge areas are eligible for CSOP continuing education credits through the American Bankers Association.

### I. Securities and Related Products (35%)

#### A. Domestic Corporate Equities

1. Common stock
2. Preferred stock
3. Rights and Warrants
4. ADR's
5. Mandatory Corporate Actions
6. Voluntary Corporate Actions

#### B. Domestic Corporate Debt Securities

1. Bonds
2. Debentures
3. Sinking Funds
4. Variable Rate Notes
5. Defaulted Securities

#### C. U. S. Treasury and Agency Securities

1. Treasury bills, bonds, notes, STRIPS, and TIPS
2. Government Agency Securities
3. Savings bonds

#### D. Municipal Securities

1. Revenue bonds and notes
2. General obligation bonds and notes

#### E. Money Market Instruments/Repurchase Agreements

1. Commercial paper
2. CDs
3. Repurchase agreements
4. Medium term notes
5. Money Market
6. Cash Sweeps

#### F. Pay Down Securities

1. CMO's (Fannie Mae, Freddie Mac, Ginnie Mae)
2. Other Asset Backed

#### G. Pooled/Collective Investments

1. Mutual Funds (Open end, closed end)
2. ETFs
3. Target Maturity Funds
4. UITs
5. Networked vs. Non-networked

#### H. Derivative Instruments

1. Options
2. Futures & Forwards
3. Hedge Funds
4. SWAPS/SWAPTION

### I. International Securities

1. Equities
2. Sovereign debt
3. Euro bonds
4. Foreign exchange

### J. Specialized Investments

1. Private placements
2. Limited partnerships
3. Guaranteed investment contracts (GIC), Guaranteed annuity contracts (GAC)
4. Real estate
5. Fixed and Variable Annuities
6. Oil, Gas & Mineral Rights
7. Closely-held
8. Rule 144
9. REITs

### K. Related Products

1. Insurance
2. Wrap accounts
3. Securities lending
4. IRAs
5. ILITs

### L. Class Actions

### M. Tax Reclamation

## II. Regulators, Regulation, and Compliance (35%)

### A. Regulations

1. Securities Act of 1933 & 1934
2. Government Securities Act of 1986
3. Investment Company & Advisors Act of 1940
4. Banking Act of 1933/Financial Modernization Act
5. 12 CFR 9 (Reg. 9)
6. Regulation D
7. 12 CFR 12
8. Regulation U
9. Shareholder Communications Act of 1985
10. Dodd Frank
11. ERISA
12. Gramm-Leach-Bliley (Privacy)
13. FATCA
14. Know Your Customer
15. Sarbanes-Oxley Act (SOX)
16. SEC Rule 22(c)-2

17. Fair Value
18. BASEL
19. Regulation R
20. OFAC
21. BSA/AML
22. FDIC Collateral Requirements (Fiduciary)
23. TAFT-Hartley

**B. Regulators**

1. SEC
2. OCC (Office of the Comptroller of the Currency)
3. FDIC
4. Federal Reserve Bank
5. Consumer Financial Protection Bureau (CFPB)
6. IRS
7. Department of Labor (DOL)
8. SIPC

**C. Self-Regulated Organizations**

1. FINRA
2. MSRB
3. NYSE
4. OTC
5. CBOE

**III. Controls, Reconciliation and Audit Practices and Procedures (20%)**

**A. Strategic Risk Management**

1. Operating risk
2. Processing risk
3. Market risk
4. Credit risk
5. Segregation of duties
6. Business Continuity
7. Vendor Risk Management
8. Key Risk & Process Indicators (KRI/KPI)
9. Information Security
10. Metrics

**B. Transactional Risk Management**

1. Reconciliation
2. Escheatment
3. Hard to Value Assets
4. Fractional Shares

5. Contra CUSIPs
6. Class Actions
7. Non-Transferable Assets
8. Net Asset Value
9. TBA's
10. Global Settlement

**C. Compliance Risk Management**

1. Scope
2. Methodology
3. Audit trails
4. SSAE16

**D. Reputational Risk Management**

1. Corporate Ethics

**IV. Industry Structures (10%)**

**A. Exchanges**

1. NASDAQ
2. NYSE
3. Options Clearing Corporation
4. International Stock Exchanges
5. Commodities/Futures Exchanges

**B. Depositories and Clearing Corporations & Electronic Communication Networks**

1. OMGEO
2. Euroclear
3. DTCC
4. FRB
5. SWIFT
6. NSCC

**C. Securities Identifying Entities**

1. CUSIP
2. ISIN
3. SEDOL
4. ISO

**D. Securities Transfer**

1. STA Medallion Program (STAMP)
2. Dividend Reinvest
3. Physical Securities
4. ACATS
5. Cost Basis