

Security Futures Product (SFP) Training Course

Official Course Outline & Syllabus • Generated July 10, 2026

1. Security Futures Products Proficiency Training Course
2. Preface
3. Disclaimer
4. SFP Regulatory Background
5. Joint Regulation
6. Multiple Layers of Regulatory Oversight
7. Requirement Types
8. SFP Eligibility
9. Course Content
10. Required Modules
11. Registration Selection
12. Module 1 Confirmation
13. MODULE 1 - Introduction to Stocks
14. Capital Formation
15. Shares in Corporate Ownership
16. Dividends
17. Common Stock
18. Preferred Stock
19. Restricted Stock
20. American Depositary Receipts (ADRs)
21. Corporate Actions
22. Corporate Actions - Conventional Stock Splits
23. Corporate Actions - Reverse Stock Splits
24. Corporate Actions - Mergers and Acquisitions
25. Corporate Actions - Spin-Offs
26. Stock Markets
27. Stock Option Markets
28. National Market System
29. Stock Markets - Electronic Communication Networks
30. Stock Options Exchanges and Clearinghouse

31. Product Fungibility
32. Trading Stocks - Price Quotation Conventions
33. Trading Stocks - Short Selling
34. Trading Stocks - Types of Orders
35. Trading Stocks - Trade Settlement
36. Trading Stocks - Inside Information
37. Regulatory Trading Halts and Delayed Openings
38. Automated Order Imbalance Management
39. Circuit Breakers
40. Stock Options and Stock Index Options
41. Stock Options and Stock Index Options
42. Stock Option Lessons for SFP
43. Stock Options - Synthetics
44. Categorizing Stocks
45. Sector Stocks
46. Reasons for Stock Sector Categorization
47. Sectoring By Strategy
48. Growth Stocks
49. Value Stocks
50. Income Stocks
51. Stocks By Market Capitalization
52. Stock Market Analysis - Statistical Measures
53. Company Filings and Earnings Reports
54. Quarterly Earnings and Annual Reports
55. Corporate Statements Between Reports
56. Regulation FD
57. Regulation FD in the Social Media Age
58. Insider Filings
59. Other Principal Disclosures
60. Short Interest
61. Financial Statements
62. Earnings Per Share
63. Price to Earnings Ratio
64. Interpreting Multiples and the PEG Ratio
65. Dividend Payout Ratio
66. Dividend Yield and Book Value Per Share
67. Short-Term Liquidity Measures
68. Balance Sheet Liquidity and Cash Flow Metrics
69. Margin
70. Initial and Maintenance Margin

71. Intraday Margin Monitoring
72. Short Sale Margin Requirements
73. Options Premium and Uncovered Short Options
74. Portfolio Margin
75. Securities Investor Protection Corporation
76. Module 1 Quiz Instructions
77. Question 1
78. Question 2
79. Question 3
80. Question 4
81. Question 5
82. Question 6
83. Question 7
84. Question 8
85. Question 9
86. Question 10
87. Module 1 Completion
88. Module 2 Confirmation
89. Futures Contracts
90. Characteristics of Futures Contracts
91. Futures Trading
92. Equal Treatment of Buys and Sells
93. Standardized Contract Terms
94. Standardized Contract Terms (cont.)
95. Futures Clearinghouses
96. Clearinghouse Operations
97. Physical Delivery
98. Physical Delivery (cont.)
99. Cash Settlement
100. Price Limits and Circuit Breakers
101. Trading Session Thresholds
102. Impact on Clearinghouses
103. Order Types
104. Spread Orders
105. Contract Rolls and Position Spreads
106. Additional Order Types
107. Futures Order Execution
108. Electronic Audit Trails
109. Clearing Integration
110. Market Participants

- 111. End-Users and Intermediaries
- 112. Volume and Open Interest
- 113. Volume Versus Liquidity
- 114. Open Interest Lifecycle
- 115. Commitments of Traders Framework
- 116. Futures Pricing Dynamics
- 117. Futures Pricing Dynamics (cont.)
- 118. Hedging and Speculation
- 119. Hedging Strategies
- 120. Basis Risk
- 121. Understanding Basis Risk
- 122. Basis Risk Example
- 123. Speculators and Market Liquidity
- 124. Position Limits and Accountability
- 125. Position Aggregation
- 126. Position Limit Exemptions
- 127. Market Arbitrage
- 128. Financial Safeguards
- 129. Margin and Risk Management
- 130. Customer Margin and Fund Protection
- 131. Module 2 Quiz Instructions
- 132. Question 1
- 133. Question 2
- 134. Question 3
- 135. Question 4
- 136. Question 5
- 137. Question 6
- 138. Question 7
- 139. Question 8
- 140. Question 9
- 141. Question 10
- 142. Module 2 Completion
- 143. Module 3 Confirmation
- 144. Security Futures
- 145. SFP Regulatory Oversight
- 146. Types of SFP
- 147. Foundational Requirements
- 148. Listing Requirements
- 149. Ongoing Listing Maintenance
- 150. Index Changes From Narrow to Broad

- 151. Foreign SFP
- 152. Order Entry
- 153. Trading Venue Requirements
- 154. Standardized Contracts
- 155. SFP Trading Sessions
- 156. Contract Months and Expiration
- 157. Contract Expiration
- 158. Minimum Price Variations
- 159. Position Monitoring and Reporting
- 160. Position Limits and Accountability
- 161. Hedge Exemptions
- 162. Physical Delivery
- 163. Cash Settlement
- 164. Portfolio Applications
- 165. Valuation and Leverage
- 166. Product Fungibility
- 167. Trading Halts
- 168. Market-Wide Circuit Breakers
- 169. Corporate Actions
- 170. Complex Corporate Actions
- 171. Integral Stock Splits
- 172. Non-Integral Stock Splits
- 173. Non-Integral Stock Split Case Study
- 174. Corporate Restructurings and Clearinghouse Discretion
- 175. Tax Treatment
- 176. SFP Block Trading
- 177. Module 3 Quiz Instructions
- 178. Question 1
- 179. Question 2
- 180. Question 3
- 181. Question 4
- 182. Question 5
- 183. Question 6
- 184. Question 7
- 185. Question 8
- 186. Question 9
- 187. Question 10
- 188. Module 3 Completion
- 189. SFP Regulatory Requirements
- 190. SFP Listing Requirements

- 191. Dual Trading Restrictions
- 192. SFP Clearinghouse Authorization
- 193. Intermediary Registration
- 194. SRO Oversight of SFP Activities
- 195. Individual Proficiency Requirements
- 196. Investment Advisers and Collective Investment Vehicles
- 197. Public Communications and Promotional Standards
- 198. Public Communications and Promotional Standards (cont.)
- 199. Customer Protection Requirements
- 200. Customer Protection Requirements (cont.)
- 201. Mandatory Customer Risk Disclosure
- 202. Mandatory Delivery of the Risk Disclosure Statement
- 203. Margin Requirements
- 204. Long SFP Margin
- 205. Portfolio Offsets
- 206. Margin Calls
- 207. Specialized Account Approval and Due Diligence
- 208. Specialized Account Approval and Due Diligence (cont.)
- 209. Institutional Account Protocols
- 210. Fair Compensation and Commission Pricing
- 211. Discretionary Account Management
- 212. SFP Best Execution Requirements
- 213. Customer-Directed Orders and Routing Reviews
- 214. Handling Customer Complaints
- 215. Serious Misconduct and Immediate Notification Rules
- 216. Anti-Fraud and Anti-Manipulation Requirements
- 217. Insider Trading
- 218. Trading Ahead of Research Reports
- 219. Trading Ahead of Customer Orders
- 220. Module 4 Quiz Instructions
- 221. Question 1
- 222. Question 2
- 223. Question 3
- 224. Question 4
- 225. Question 5
- 226. Question 6
- 227. Question 7
- 228. Question 8
- 229. Question 9
- 230. Question 10

- 231. Module 4 Completion
- 232. Module 5 Confirmation
- 233. Designation of the Security Futures Principal
- 234. Background Screening and Hiring Requirements
- 235. Registered Employee Qualifications
- 236. Ongoing Compliance Training and Supervision Communication
- 237. Account Approval Protocols
- 238. Oversight of Discretionary Trading Accounts
- 239. Public Communications and Correspondence Review Systems
- 240. Retail Communications and Submission Requirements
- 241. Module 5 Quiz Instructions
- 242. Question 1
- 243. Question 2
- 244. Question 3
- 245. Question 4
- 246. Question 5
- 247. Module 5 Completion
- 248. Acknowledgment of Course Completion