ANYEXAM · CHEAT SHEET

Series 66 Cheat Sheet 2026

The night-before summary, built like the exam.

100 Scored questions	**2h 30m** Time limit	**73%** Passing score
$177 Exam fee	**NASAA** Governing body	

Exam Vitals (memorize)

- 100 scored questions
- 150 minutes to complete
- Pass = 73 of 100 scored questions (73%)
- Fee: $177

Quick math: 150 min ÷ 100 questions ~ 90 seconds per question. You may miss up to 27 scored questions and still pass.

What the Series 66 Combines

The exam merges the state-law content of the Series 63 (Uniform Securities Agent) and the Series 65 (Investment Adviser Law) into one exam. It is taken alongside the Series 7; passing Series 7 + Series 66 qualifies you as both an agent and an investment adviser representative (IAR) at the state level.

Core Legal Framework — Uniform Securities Act (USA)

- Administrator = the state securities regulator with jurisdiction; enforces the USA, may issue stop orders, subpoena, and deny/suspend/revoke registrations.
- Security — broadly defined (Howey test): an investment of money in a common enterprise with an expectation of profit from the efforts of others.
- NOT securities: whole life insurance, fixed annuities, commodities/futures contracts, collectibles.

Persons Who Must Register

- Broker-Dealer (BD) — firm effecting transactions for others or its own account.
- Agent — individual representing a BD or issuer in securities transactions.
- Investment Adviser (IA) — firm giving advice for compensation.
- Investment Adviser Representative (IAR) — individual associated with an IA.

Federal vs. State IA Registration (Dodd-Frank thresholds)

- < $100M AUM -> register with the state (Administrator).
- $100M–$110M AUM -> buffer zone; may choose state or SEC.
- >= $110M AUM -> register with the SEC (federal covered adviser).
- Federal covered advisers file notice filing + fees with states, not full registration.

IA vs. BD — The Key Distinction

An IA is compensated for advice; a BD is compensated by commissions on transactions. Watch for the three-part test: (1) gives advice on securities, (2) as part of a business, (3) for compensation. All three -> must register as IA.

Federal Registration Documents

- Form ADV Part 1 — regulator disclosure (registration).

- Form ADV Part 2A ("the brochure") — client disclosure of services, fees, conflicts.
- Brochure delivery: deliver at or before entering the advisory contract; deliver/offer updated brochure annually.

Anti-Fraud & Ethics (NASAA)

- Fraud provisions apply to all persons — even those exempt from registration.
- Prohibited: churning, unsuitable recommendations, unauthorized/discretionary trading without written authority, commingling client funds, guaranteeing performance, front-running.
- Custody: advisers with custody face surprise audits, net-worth/bonding requirements, and safekeeping rules.

Fiduciary Standard (IA/IAR)

IARs owe a fiduciary duty — put client interests first, disclose all material conflicts, seek best execution, and ensure suitability. Higher standard than the suitability/Reg BI standard for agents.

Exemptions & Exclusions (high-yield topics)

- Exempt securities: U.S. government & municipal securities, securities of banks, insurance company securities, and securities issued by non-profit/religious/charitable organizations.
- Exempt transactions: private placements, isolated non-issuer transactions, transactions with financial institutions, unsolicited orders, fiduciary (executor/trustee) sales.
- De minimis exemption: an IA/BD with no place of business in a state and <= 5 non-institutional (retail) clients there within 12 months need not register in that state.
- Excluded from IA definition (LATE): L awyers, A ccountants, T eachers, E ngineers — when advice is incidental and no special compensation.

Registration Mechanics

- Registration by state generally becomes effective at noon on the 30th day after a complete filing (default, absent Administrator action).
- Registrations expire December 31 and must be renewed annually.
- Administrator may require: application, consent to service of process, filing fees, and (for BDs/IAs) minimum net capital or surety bonds.

Statute of Limitations

- Civil: the earlier of 3 years after the sale or 2 years after discovery.
- Criminal: 5 years; max penalty $5,000 fine and/or 3 years imprisonment (USA model).

Economics & Analysis (from Series 65 side)

- Time value of money: PV, FV, NPV, IRR. NPV > 0 -> accept the project.
- Risk-adjusted return: Sharpe ratio = (Return − Risk-free rate) ÷ Standard deviation. Higher = better.
- CAPM: Expected return = Rf + β(Market return − Rf).
- Beta: systematic (market) risk; β > 1 = more volatile than market.
- Standard deviation: total volatility; Alpha: return above CAPM expectation.

Tax & Account Basics

- Yield order (premium bond): Nominal > Current yield > YTM > YTC. (Reversed at a discount.)
- Duration: longer duration -> greater interest-rate sensitivity.
- Know account registrations: JTWROS, tenants in common, UTMA/UGMA, and trust/fiduciary accounts.

Final Test-Day Reminders

- No prerequisite is required to sit for the Series 66, but a securities exam (Series 7) is required for the license.

- Read every “EXCEPT / NOT” question carefully — they invert the correct answer.
- With ~90 seconds per question, flag and move on; do not stall.

Official sources

- NASAA — Series 66 Exam Overview: https://www.finra.org/registration-exams-ce/qualification-exams/series66
- NASAA — NASAA Exams – Series 63, 65 and 66: https://www.nasaa.org/exams/
- FINRA — FINRA Continuing Education Requirements: https://www.finra.org/registration-exams-ce/continuing-education

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Free practice questions for this exam: anyexam.org/practice/exams/securities/series-66