

# 2023-24 Competitive Events Guidelines

## Securities & Investments



Securities & Investments provides members with the opportunity to demonstrate knowledge around competencies in securities and investments. This competitive event consists of an objective test. It aims to inspire members to learn about an individual's knowledge of investing.

### Event Overview

**Division:** High School

**Event Type:** Individual

**Event Category:** Objective Test, 100-multiple choice questions (breakdown of question by competencies below)

**Objective Test Time:** 50 minutes

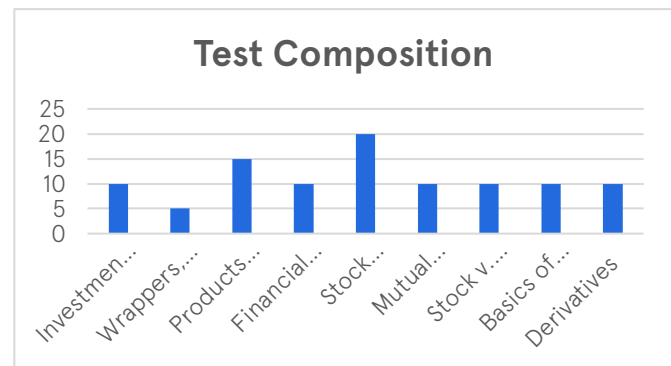
**NACE Connections:** Career & Self-Development

**Equipment Competitor Must Provide:** Pencil

**Equipment FBLA Provides:** One piece of scratch paper per competitor

### Objective Test Competencies

- Investment Fundamentals
- Investments Wrappers, Taxation, and Trusts
- Investment Product and Funds
- Stock Market
- Stocks Versus Other Investments
- Mutual Funds
- Basics of Bonds
- Derivatives
- Financial Services Regulation



### California FBLA Guidelines (Section and State)

- No reference or study materials may be brought to the testing site.
- No calculators may be brought into the testing site; online calculators will be provided through the testing software.
- All electronic devices such as cell phones and smart watches must be turned off before competition begins.
- Bring a pencil to the testing site.

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### Section

- **Number of Competitors per Chapter:** The number of competitors from each chapter who can enter in this event will be based on local chapter membership on the section conference registration deadline.
  - 0-49 members – 3 competitors
  - 50-74 members – 4 competitors
  - 75-100 members – 5 competitors
  - 101+ members – 6 competitors
- **Number of Competitors Who Advance to State:** A minimum of the **top six (6) places** from each section will represent their section at the State Leadership Conference. The winners' list from each Section Leadership Conference will indicate the number of places that will advance.
- If the following number of competitors submit a test at the section level, more than six (6) winners from that section will be able to compete at state as shown below. Section Directors will determine the number of eligible competitors and send the list to the Competitive Events Coordinator.
  - 44-51 competitors completing a test – 7 competitors advance to state level
  - 52-60 competitors completing a test – 8 competitors advance to state level
  - 61-67 competitors completing a test – 9 competitors advance to state level
  - 68+ competitors completing a test – 10 competitors advance to state level

### State

- **Wild Card Entries:** Each chapter may have **three (3) members** compete as wild card entries at the state level. Wild cards may be used only in these 20 events:

Accounting I	Insurance & Risk Management
Advertising	Introduction to Business Communication
Agribusiness	Introduction to Business Concepts
Business Calculations	Introduction to Business Procedures
Business Communication	Introduction to FBLA
Business Law	Introduction to Financial Math
Computer Problem Solving	Introduction to Information Technology
Economics	Personal Finance
Healthcare Administration	Securities & Investments
Human Resource Management	Supply Chain Management

  - Using Wild Cards
    - Wild cards must be used in different events.
    - Any one member may only enter in one event as a wild card.
    - A wild card event counts as one of the two active events a member may enter.
- **The top four (4) places in state competition** will represent California at the National Leadership Conference.
- Middle school members who place in the top four **cannot** compete at the National Leadership Conference, per national guidelines.

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### National

#### *Policy and Procedures Manual*

- Competitors should be familiar with the Competitive Events Policy & Procedures Manual, found on the Competitive Events page on [www.fbla.org](http://www.fbla.org).

#### *Eligibility*

- FBLA membership dues are paid by 11:59 pm Eastern Time on March 1 of the current program year.
- Members may compete in an event at the National Leadership Conference (NLC) more than once if they have not previously placed in the top 10 of that event at the NLC. If a member places in the top 10 of an event at the NLC, they are no longer eligible to compete in that event.
- Members must be registered for the NLC and pay the national conference registration fee in order to participate in competitive events.
- Members must stay in an official FBLA hotel to be eligible to compete.
- Each state may submit four entries per event.
- Each member can only compete in one individual/team event and one chapter event (American Enterprise Project, Community Service Project, Local Chapter Annual Business Report, Partnership with Business Project).
- Picture identification (physical or digital driver's license, passport, state-issued identification, or school-issued identification) is required when checking in for competitive events.
- If competitors are late for an objective test, they will be allowed to compete until such time that results are finalized, or the accommodation would impact the fairness and integrity of the event. Competitive event schedules cannot be changed. Competitive events start in the morning before the Opening Session of the NLC.

#### *Recognition*

- The number of competitors will determine the number of winners. The maximum number of winners for each competitive event is 10.

#### *Event Administration*

- This event is an objective test administered online at the NLC.
- No reference or study materials may be brought to the testing site.
- No calculators may be brought into the testing site; online calculators will be provided through the testing software.

#### *Tie Breaker*

- Ties are broken by comparing the correct number of answers to 10 pre-determined questions on the test. If a tie remains, answers to 20 pre-determined questions on the test will be reviewed to determine the winner. If a tie remains, the competitor who completed the test in a shorter amount of time will place higher.

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### *Americans with Disabilities Act (ADA)*

- FBLA meets the criteria specified in the Americans with Disabilities Act for all competitors with accommodations submitted through the conference registration system by the registration deadline.

### *Penalty Points*

- Competitors may be disqualified if they violate the Competitive Event Guidelines or the Honor Code.
- Five points are deducted if competitors do not follow the Dress Code or are late to the testing site.

### *Electronic Devices*

- All electronic devices such as cell phones and smart watches must be turned off before competition begins.

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### Study Guide: Competencies and Tasks

- A. Investment Fundamentals
  - 1. Define terminology common to securities & investments.
  - 2. Demonstrate knowledge of savings.
  - 3. Identify stages of investing and the relationship between risk and return.
  - 4. Identify sources of financial information to make investment decisions.
- B. Investment Wrappers, Taxation, and Trusts
  - 1. Describe individual savings accounts.
  - 2. Demonstrate knowledge of Pensions.
  - 3. Demonstrate knowledge of taxation.
  - 4. Describe and Identify Investment bonds.
- C. Investment Product & Funds
  - 1. Identify and explain the different types of loans.
  - 2. Explain the purposes of mortgages.
  - 3. Demonstrate the knowledge and purpose of life assurance.
  - 4. Describe and explain unit trusts.
  - 5. Describe opened ended investment companies.
  - 6. Identify the characteristics of pricing, dealing, and settlement.
  - 7. Identify and explain what Investment trusts are.
  - 8. Demonstrate knowledge of how hedge funds work.
- D. Stock Market
  - 1. Explain how stock market benefits investors and companies.
  - 2. Analyze stock tables for investment related information.
  - 3. Describe options for handling accumulated money/earnings.
  - 4. Understand the types of investments.
  - 5. Compare and differentiate between Primary vs secondary markets.
  - 6. Distinguish between Bull, bear, and pig markets.
- E. Stock versus Other Investments
  - 1. Demonstrate knowledge of compounding.
  - 2. Explain the purpose of company.
  - 3. Describe ethical behavior in support center.
  - 4. Understand the process of gathering relevant information.
  - 5. Evaluate financial statements.
  - 6. Define terminology common to stock markets and other investments.
- F. Mutual Funds
  - 1. Understanding and explaining total return.
  - 2. Describe mutual funds and its involvement with taxes.
  - 3. Identify the process of purchasing mutual funds.
  - 4. Explain benefits with investment in mutual funds.
  - 5. Understand fund costs.
- G. Basics of Bonds
  - 1. Demonstrate the knowledge of bond duration.
  - 2. Describe the process of buying bonds.
  - 3. Describe the process of issuing bonds.
  - 4. Identify the roles of collateral.
  - 5. Compare secured and unsecured bonds.
  - 6. Introduction to government bonds.

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7. Identify U.S. government agency bonds and savings bonds.
- H. Derivatives
1. Demonstrate the knowledge of Futures.
  2. Demonstrate the knowledge of Options.
  3. Demonstrate the knowledge of SWAPS.
  4. Describe the different uses of Derivatives.
- I. Financial Services Regulation
1. Explain Financial Services & Markets Act.
  2. Identify Financial Crime.
  3. Explain insider dealing and market abuse.
  4. Describe the Data Protection Act 1998.
  5. Identify types of Breaches, complaints, and compensation.