

SAFE Mortgage Loan Originator Test
Arizona State Component
Content Outline

March 18, 2009

50 scored test questions; 10 unscored test questions

- I. Arizona Department of Financial Institutions (5%)**
 - A. Regulatory authority
 - B. Department structure
 - C. Responsibilities and limitations

- II. State Law and Regulation Definitions (10%)**
 - A. ARS 6-991
 - B. ARS 6-901
 - C. ARS 6-941
 - D. ARS 6-971
 - E. AAC R20-4-102
 - F. Liens and encumbrances

- III. License Law and Regulation (20%)**
 - A. Persons required to be licensed
 - 1. In state
 - 2. Out of state (non resident)
 - 3. Exemptions
 - B. Licensee qualifications and application process
 - 1. Financial responsibility (surety bond, net worth, or recovery fund)
 - 2. Background check and fingerprints (criminal check; credit report)
 - 3. Pre-licensing education and experience
 - 4. Testing and retesting
 - C. Grounds for denying license
 - 1. Criminal convictions
 - 2. Previous revocation
 - 3. Prohibition
 - D. License maintenance
 - 1. Continuing education
 - 2. Personal information updates and required notifications
 - 3. Renewal
 - 4. Record keeping and reporting
 - 5. Suspension and reinstatement

- IV. Compliance (50%)**
 - A. Prohibited conduct and practices
 - B. Required conduct
 - C. Fees and charges
 - D. Disclosures and agreements

E. Advertising

V. Disciplinary Action (10%)

- A. Notifications, hearings, and appeals
- B. Suspension, revocation, and rescission of licenses
- C. Penalties/fines
- D. Civil and criminal liability

VI. Arizona Unique State Test Areas (5%)

- A. General purposes and legal effects of mortgages, deeds of trust, and security agreements
 - 1. Documents
 - 2. Foreclosure processes
 - 3. Liens
- B. Principles of real estate lending
- C. Obligations between principal and agent (loan originator)

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