

SAFE Mortgage Loan Originator Test – State Component
CALIFORNIA Content Outline
(50 scored test questions; 10 unscored test questions)

- I. California Department of Corporations or California Department of Real Estate (5%)**
- A. Regulatory authority
 - B. Department/agency structure
 - C. Responsibilities and limitations
- II. California Law and Regulation Definitions (10%)**
- A. Real Estate Law and Subdivided Lands Law (California Business and Professions Code Sections 10000 and 11288)
 - B. Regulations of the Real Estate Commissioner (Title 10 of the California Code of Regulations)
 - C. Administrative Procedure Act (Government Code Sections 11503 through 11528)
 - D. The California Residential Mortgage Lending Act
 - California Financial Code (Division 20, commencing with Section 50000)
 - California Code of Regulations (Subchapter 11.5 of Chapter 3 of Title 10, commencing with Section 1950.003)
 - E. The California Finance Lenders Law
 - California Financial Code (Division 9, Sections 22000 through 22780)
 - California Code of Regulations (Chapter 3, Title 10, Sections 1404 through 1570)
 - F. Civil Code (Sections 51 through 2995)
 - G. Penal Code (Sections 528-539, 570-583)
 - H. California Financial Code (Sections 4970 through 51015)
 - I. Government Code (Sections 12900 through 12987)
 - J. Health and Safety Code (Section 35800 through 35833); California Code of Regulations (Section 7114)
 - K. Other State Law and Regulation Definitions
- III. California License Law and Regulation (25%)**
- A. Persons required to be licensed
 - 1. Activities requiring licensure
 - 2. Exemptions
 - B. Licensee qualifications and application process
 - 1. Financial responsibility (surety bond or 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 a 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
 - F. Trust account requirements

- V. Disciplinary Action (10%)**
 - A. Notifications, hearings, and appeals
 - B. Suspension, revocation, and rescission of licenses
 - C. Penalties/fines
 - D. Civil and criminal liability

California State Test Component Reference List

A number of references and resources are used to develop the SAFE Mortgage Loan Originator Test. The following list is intended to be used as a guide to help candidates prepare for the test component; however, it is not intended to be an all-inclusive list.

- California Business and Professions Codes
 - 10080 , 10081, 10086, 10131, 10132, 10133, 10137, 10145, 10148, 10153, 10153.1,2,3, 10156.2, 10162, 10166, 10166.01, 10166.02, 10166.03, 10166.04, 10166.05, 10166.06, 10166.09, 10166.10, 10166.17, 10175.2, 10176, 10177.6, 10235 , 10236.4, 10240, 10240.2, 10241
- Regulations of the Real Estate Commissioner 2729
- California Department of Real Estate Regulation 2725
- California Department of Real Estate Regulation 2847.3
- California Finance Lenders Law (CFLL): California Financial Code Sections 22000 through 22780
- California Code of Regulations (Chapter 3, Title 10, Sections 1404 through 1570)
- California Residential Mortgage Lending Act (CRMLA): California Financial Code Sections 50000 through 50706
- California Code of Regulations (Chapter 3, Title 10, Sections 1950.003 through 1950.314)
- California Financial Code Sections 4970 through 4979.8
- California Financial Code 4995 through 4995.6
- California Government Code (Sections 11500 et seq.)
- California Civil Code Sections 2920 through 2971
- The federal Real Estate Settlement Procedures Act, as amended (12 U.S.C. Sec. 2601 et seq.)
- The federal Truth in Lending Act, as amended (15 U.S.C. Sec. 1601 et seq.)
- The federal Home Ownership Equity Protection Act (15 U.S.C. Sec. 1639); and
- Any regulation promulgated under any of the federal acts cited above.