

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

- I. State of Maryland Department of Labor, Licensing and Regulation, Division of Financial Regulation (5%)**
 - A. Regulatory authority
 - B. Department/agency structure
 - C. Responsibilities and limitations

- II. State Law and Regulation Definitions (10%)**
 - A. Code of Maryland: Financial Institutions Article
 - B. Code of Maryland: Commercial Law Article
 - C. Other State Law and Regulation Definitions

- III. License Law and Regulation (25%)**
 - 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, letter of credit, net worth)
 - 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

- V. Disciplinary Action (10%)**

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

Maryland State Test Component Reference List

This list provides a number of references and resources used to develop the Maryland State Component of 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, and should not be relied on as, an all-inclusive list of applicable law covered by the test.

NOTE: Citations to statutes, regulations, etc. are subject to change as they are amended.

Abbreviations used in this list

“CL”:	Commercial Law Article, Annotated Code of Maryland
“Crim”:	Criminal Law Article, Annotated Code of Maryland
“FI”:	Financial Institutions Article, Annotated Code of Maryland
“RP”:	Real Property Article, Annotated Code of Maryland
“TP”:	Tax Property Article, Annotated Code of Maryland
“SG”:	State Government Article, Annotated Code of Maryland
“COMAR”:	Code of Maryland Regulations

List of Applicable Maryland Statutes by Title/Subtitle

1. Interest and Usury
 - a. CL § 12-103(b) (Other permitted rates of interest--Loans secured by residential real property—licensing requirements).
 - b. CL § 12-105 (Charges not considered interest)
 - c. CL § 12-124 (Property insurance coverage)
 - d. CL § 12-125 (Financing agreements)
 - e. CL § 12-127 (Lender to consider homeowner’s ability to repay loan)

2. Maryland Equal Credit Opportunity Act
 - a. CL § 12-704 (Discrimination prohibited; compliance with or violation of federal Equal Credit Opportunity Act)

3. Finder’s Fees
 - a. CL § 12-803 (Prohibited relationship between broker and lender)
 - b. CL § 12-804 (Fees mortgage broker permitted to charge)
 - c. CL § 12-805 (Payment of finder’s fee)
 - d. CL § 12-806 (Refund of finder’s fee)
 - e. CL § 12-807 (Violation of finder’s fee subtitle)

4. Credit Grantor Law
 - a. CL § 12-1009 (Prepayment charges prohibited)
5. Denial of Credit—Disclosure
 - a. CL § 14-1702 (Notice of action upon application for credit)
6. Consumer Loan Law
 - a. FI § 11-204 (License required)
7. Mortgage Lender Law
 - a. FI § 11-501 (Definitions)
 - b. FI § 11-502 (Exceptions to subtitle)
 - c. FI § 11-504 (License or registration requirement)
 - d. FI § 11-505 (Licenses and licensees generally)
 - e. FI § 11-508 (Surety bonds)
 - f. FI § 11-509 (Investigation of applicant—issuance of license)
 - g. FI § 11-511 (Term and renewal of licenses)
 - h. FI § 11-513 (Books and records)
 - i. FI § 11-513.1 (Annual reports)
 - j. FI § 11-515 (Investigatory powers and duties of Commissioner—complaints)
 - k. FI § 11-516 (Order to stop doing business)
 - l. FI § 11-517 (Suspension or revocation of license—enforcement of subtitle—regulations, etc.—employment of mortgage originators)
8. Mortgage Loan Originator Law
 - a. FI § 11-601 (Definitions)
 - b. FI § 11-602 (General considerations)
 - c. FI § 11-603 (Powers of licensees)
 - d. FI § 11-604 (Applications)
 - e. FI § 11-605 (Qualifications for license)
 - f. FI § 11-606 (Prelicensing education courses)
 - g. FI § 11-606.1 (Written tests)
 - h. FI § 11-607 (Investigation and approval)
 - i. FI § 11-609 (Term, expiration, and renewal of license)
 - j. FI § 11-612 (Continuing education)
 - k. FI § 11-613 (Investigations)
 - l. FI § 11-614 (Order to stop operations)
 - m. FI § 11-615 (Violations—penalties)
 - n. FI § 11-616 (Hearings)

- o. FI § 11-622 (Reports to NMLS—Regulations)
- 9. Real Property Law
 - a. RP § 7-401 (Mortgage fraud)
 - b. RP § 7-402 (mortgage fraud prohibited)
- 10. Tax Property Law
 - a. TP § 12-108 (Refinancing instrument)
- 11. Administrative Procedures Act
 - a. SG § 10-207 (Notice of agency action)
 - b. SG § 10-222 (Judicial review)
 - c. SG § 10-226 (Licenses—special provisions)
- 12. Criminal Law
 - a. Crim § 8-602 (Issuing counterfeit private instruments and documents)

Constitutional Provisions

- 1. Constitution of Maryland
 - a. Constitution of Maryland, Article V, Section 3(a) (Powers and duties of Attorney General)

List of Applicable Maryland Regulations

- 1. Mortgage Lender Regulations
 - a. COMAR 09.03.06.03 (Licensing requirements)
 - b. COMAR 09.03.06.04 (Records—Preservation of records)
 - c. COMAR 09.03.06.05 (Advertising and Solicitation)
 - d. COMAR 09.03.06.07 (Agreements with borrower)
 - e. COMAR 09.03.06.09 (Fees)
 - f. COMAR 09.03.06.20 (Duty of care)
 - g. COMAR 09.03.10.02 (Duty to report fraud)
- 2. Mortgage Originator Regulations
 - a. COMAR 09.03.09.03 (Education requirements)

- b. COMAR 09.03.09.04 (Duty of care)
- 3. Real Estate Appraisers
 - a. COMAR 09.03.09.19.05.02 (Code of Ethics)