

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

- I. South Dakota Division of Banking (5% = 2-3 scored questions)**
 - A. Division of Banking
 - B. Responsibilities and limitations

- II. Mortgage Lender Business Act Definitions (10% = 4-5 scored questions)**
 - A. Mortgage Lender Business Act
 - B. Other State Law and Regulation Definitions

- III. South Dakota License Law and Regulation (25% = 11-12 scored questions)**
 - A. Persons required to be licensed
 - 1. In state
 - 2. Exemptions
 - B. Licensee qualifications and application process
 - 1. Financial responsibility (surety bond)
 - 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 (45%) = 20-21 scored questions)**
 - A. Prohibited conduct and practices
 - B. Required conduct
 - C. Fees and charges
 - D. Disclosures and agreements
 - E. Advertising

- V. Disciplinary Action (15% = 6-7 scored questions)**
 - A. Notifications, hearings, and appeals
 - B. Suspension, revocation, and rescission of licenses
 - C. Penalties/fines
 - D. Civil and criminal liability

South Dakota 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.

- Administrative Rules of South Dakota Chapter 20:07:19
- South Dakota Codified Law Chapter 1-26
- South Dakota Codified Law Chapter 54-14
- Truth in Lending Act - Regulation Z
- Real Estate Settlement Procedures Act