



Nationwide Mortgage Licensing System and Registry

The Mortgage Loan Originator (MLO) Testing Handbook

January, 2012

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The MLO Testing Handbook is intended to be an interactive guide that contains clickable links to Websites referenced throughout the book. If you are unable to link to the different Websites, please refer to the glossary of URLs for complete Website addresses.

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1.1 Overview

On July 30, 2008, the President of the United States signed into law the Housing and Economic Recovery Act of 2008. Title V of the Act, entitled The Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (S.A.F.E. Mortgage Licensing Act), recognizes and builds on states' efforts to enhance consumer protection, and reduce fraud, by requiring ALL mortgage loan originators to be either state-licensed or federally registered. Under the S.A.F.E. Mortgage Licensing Act, all states must implement a Mortgage Loan Originator (MLO) licensing process that meets certain standards through the Nationwide Mortgage Licensing System & Registry (NMLS). The Act requires all MLOs seeking state-licensure, or currently holding a state license, to pass the NMLS-developed S.A.F.E. Mortgage Loan Originator Test, including both national and state components, with a score of 75% or better on each component.

The Nationwide Mortgage Licensing System & Registry (NMLS) has an NMLS Resource Center available to companies, regulators and individuals to provide information and guidance on state participation, testing, pre-licensing and continuing education, and system-related updates. In addition to reviewing this MLO Testing Handbook, it is recommended that candidates visit the [NMLS Resource Center](#) for more information.

1.2 Test Availability

The national component and first group of 11 state components were released on July 30, 2009. Additional Unique State Components are released every few months. Candidates may see which test components are currently available by visiting the "Test Content Outlines and Availability Dates" page of the [NMLS Resource Center](#). All state components are scheduled to be available no later than December 31, 2010.

2.1 Test Components and Specifications

The S.A.F.E. Mortgage Loan Originator Test consists of two component types:

1. National and
2. Unique State-Specific

The National Component of the S.A.F.E. Mortgage Loan Originator Test consists of one hundred (100) test questions: ninety (90) operational (scored), and ten pre-test (not scored). The test time will be one hundred fifty (150) minutes, with an additional thirty (30) minutes for completing a tutorial and an optional candidate survey.



Note: The ten pre-test (un-scored) questions appearing on the National Component and each State Specific Component do not affect the candidate's score or the pass/fail result. These pre-test questions are being pilot tested for future use. Once these pre-test questions are tested on a sufficiently large sample of candidates, these questions will be reviewed to determine if they meet appropriate test standards to be considered for use as scored test questions on future NMLS tests. The pre-test questions appear on the test in random order. The candidate will not know which questions are pre-test and which questions are scored.

Each State-Specific Component of the S.A.F.E. Mortgage Loan Originator Test consists of forty-five (45) to fifty-five (55) operational test questions (scored) with an additional ten (10) pre-test (not scored) test questions. The exact number of scored test questions for each unique state test component is listed on the state's content outline. The test time will be ninety (90) minutes with an additional thirty (30) minutes for completing a tutorial and an optional candidate survey.

2.2 Effective Dating of Tests

Some components of the SAFE MLO Test will include an "effective date." This effective date communicates to the test candidate that the content of the questions in the test is current as of the effective date. In the event that legislative changes take place after the effective date, the content of test questions which might have been affected by those changes will not change and the candidate should answer questions based on legislation which was current as of the effective date.

Until a test component carries an effective date, candidates and course providers should assume that the test content reflects current statutes, regulations, and rules.

The "Effective Dating" practice will be applied to selected test components and then gradually applied to all test components over time.

The following notice or a similar one will appear in all tests with an effective date.

*****PLEASE READ CAREFULLY*****

Notice: Legislative Updates

Federal and state legislative changes may occur throughout the test administration cycle.

Test questions should be answered based on the statutes, regulations and rules in effect as of (Date).

****Candidates are responsible for keeping abreast of changes made to applicable federal and state, statutes, regulations and rules regardless of whether they appear on the test.****

This same notice will also appear on the content outlines of test components with effective dates. For a list of tests which have effective dates, please refer to [this list on the NMLS Resource Center](#).

2.3 Overview of Testing Process

To take an MLO test, an individual must:

1. Have or create an account in NMLS.

All individuals seeking an MLO license are required to have or create an account in NMLS prior to enrolling for a test. Click [here](#) to access the Create an Individual Account Quick Guide for instructions on how to create an account in NMLS.

2. Enroll for the appropriate MLO National and/or Unique State test component in NMLS.

A test enrollment may be requested by the individual directly or by any company with access to the individual's NMLS record.

NOTE: The individual or company requesting the test enrollment must wait for an email confirmation before attempting to proceed with step 3 (scheduling an appointment at a test center).

3. Schedule an appointment at a test center.

An appointment can be scheduled online or by telephone. Tests are administered at nearly five hundred locations operated by Pearson VUE or Prometric. Access the NMLS Resource Center to find a test center nearest you.

4. Arrive at the test center.

Individuals should arrive thirty (30) minutes prior to the scheduled appointment with a current (non-expired) government-issued identification that includes the candidate's photo and signature.

NOTE: While the S.A.F.E. Act does not require MLOs to complete their pre-licensure education prior to scheduling and taking a test, pre-licensure education classes can be helpful. Access the [NMLS Education Page](#) for more information regarding approved course providers and classes.

2.4 Contact Information

For questions concerning NMLS and tests being administered, please contact the NMLS Call Center at (240) 386-4444 or visit the [NMLS Testing Page](#) of the NMLS Resource Center.

For information on the S.A.F.E. Mortgage Licensing Act, visit the [NMLS Resource Center](#).

For information regarding participating states, including state-specific S.A.F.E. testing and education requirements, please refer to the jurisdiction specific pages in the [State Licensing Resources](#) section of the NMLS Resource Center.

After enrolling for a test component, please contact one of the test vendors, Pearson VUE or Prometric, for test scheduling information:

Pearson VUE	www.pearsonvue.com/nmls	1-866-994-6657
Prometric	www.prometric.com/nmls	1-877-671-6657



Chapter Three: Test Component Enrollment Procedures (NMLS)

3.1 Create an NMLS User Account

An MLO must have or establish an individual NMLS user account before a test enrollment can be requested. Click [here](#) to access the “Create an Individual Account” Quick Guide for step-by-step instructions on creating an individual account in NMLS.

The email address provided when creating the NMLS user account is used by NMLS to send test enrollment and test result notifications to the individual.

3.2 Test Enrollment

Prior to scheduling an appointment to take a S.A.F.E. national or state test component at a test center, a test enrollment must be requested and paid for in NMLS. Test enrollments can be requested by an individual MLO directly or by any company with access to the MLO’s NMLS record. The individual test enrollment process allows the candidate to select the national component and/or one or more state components for test enrollment. Company users have two options to assist with test enrollment for their MLOs. Companies can identify a single national or state test and select multiple MLOs for test enrollment, or companies can identify a single MLO and select multiple tests for test enrollment. Prior to submission of test enrollment requests, the requestor is required to pay all associated test fees through NMLS.

Note: Test enrollment fees are non-refundable and non-transferable.

The Test Enrollment functions can be found under the Professional Requirements tab in NMLS. Click [here](#) and select the “Log into NMLS” button in the upper right-hand corner of the page to access the login page for NMLS. Individuals can click [here](#) to access a Test Enrollment Quick Guide providing step-by-step instructions to complete the test enrollment process. Company users can click [here](#) to access a Test Enrollment Quick Guide for the Company test enrollment process.

3.3 Test Fees

Payments are NOT accepted at the test center. Test fees must be paid in NMLS when enrolling for a test. For a listing of current test fees, please visit the [NMLS Testing Page](#).

Test enrollment fees are non-refundable and non-transferable. If a test enrollment window is closed for any reason prior to the candidate taking the related test, a new test enrollment window must be requested and paid for prior to the candidate scheduling and taking the test.

3.4 Test Enrollment Window

Once a test enrollment request and payment have been submitted and processed by NMLS, a 180-day test enrollment window is opened. During this 180-day period, the test candidate is required to schedule and take the test. Failure to take the test within 180-days will result in the test enrollment window closing.

In most circumstances, the enrollment window will open with a start date on the date of the request. However, in certain instances, the start date of the enrollment window may be a future date. This will occur if the selected test is available for scheduling but is not yet being administered. In this case, the enrollment window start date will be the first date the test is offered. In addition, the start date of the enrollment window for a candidate who has a failed attempt for the selected test will be the first date after the required 30-day or 180-day waiting period.



Chapter Four: Schedule a Test Appointment

4.1 Schedule an Appointment

To schedule a test appointment, contact either test vendor: Pearson VUE or Prometric. A consolidated list of test centers within each jurisdiction (Test Center Location Listing) is available on the [NMLS Testing Page](#). Candidates can use the listing to determine which test vendor has a test center convenient to the candidate's home or business.

Prior to scheduling an appointment, a candidate or company must have the following:

- Candidate's legal name (as it appears on the NMLS account), address, and daytime telephone number (Click [here](#) to access the "Create an Individual Account" Quick Guide for step-by-step instructions on creating an individual account in NMLS)
- Candidate's NMLS Individual ID (assigned when account is created on NMLS)
- The name of the test(s) for which enrollment windows have been opened in NMLS
- The preferred test date(s) and test center location

Appointments can be scheduled online or by telephone (see sections 4.2 and 4.3 below).

4.2 Online Reservations

Online scheduling is available 24 hours a day, 7 days a week, and can be made by visiting either the [Pearson VUE](#) or the [Prometric](#) Website.

NOTE: Prior to scheduling an appointment online with Pearson VUE, first-time users must create an account and will be asked to provide their name, email address, and phone number, as well as a personal password. Candidates will be prompted with step-by-step instructions on completing the online *Reservation Request Form*. Click [here](#) to access the Create a Web Profile page on the Pearson VUE site. Candidates will receive a check-in code immediately upon submitting the requested information.

Candidates requiring a special accommodation(s) must obtain approval from NMLS prior to the scheduling of a test. For further information, please see the [Special Accommodation](#) chapter in this handbook.

Once an appointment request has been submitted through a test vendor, the selected vendor (Pearson VUE or Prometric) will send a confirmation via email with the test date, time, and location.

4.3 Telephone Reservations

To make a reservation by telephone, contact either Pearson VUE or Prometric. A scheduling representative will assist candidates in selecting a convenient test date and location and will also answer questions regarding test center policies. Once an appointment is successfully scheduled, the scheduling representative will ask for a valid e-mail address so that a confirmation letter containing the requested date, time, and test center directions may be sent via email.

Pearson Professional Centers:

PEARSON VUE CALL CENTER HOURS (1-866-994-6657)	
Monday – Friday	8a.m. - 8p.m., ET
Saturday	None
Sunday	None

Prometric Test Centers:

PROMETRIC CALL CENTER HOURS (1-877-671-6657)	
Monday – Friday	8 a.m. – 8 p.m., ET
Saturday	None
Sunday	None

4.4 Group Appointment Procedures

If a company has several mortgage loan originators who need to take a test, a company representative may use the bulk reservation tools provided by Pearson VUE and/or Prometric. The group appointment tool is not available for individual use.

A group appointment is defined as five or more candidates scheduled to take a SAFE MLO test for the same company, on the same date, at the same test center location. Prior to scheduling group appointments, companies must ensure that all candidates who need to take the test have requested and paid for a test enrollment through NMLS. Once the enrollment windows have been created, then a company representative may contact Pearson VUE and/or Prometric to schedule group appointments.

The group appointment scheduling tools available by Pearson VUE and Prometric allow advanced holding and booking of seats. The company representative is able to reserve a block of seats with the test vendor. To confirm the test center seats, the representative must match the reserved seats to valid enrollments in NMLS. After a prescribed amount of time has elapsed, if there are any remaining un-matched seats, Pearson VUE and Prometric will release these open seats to other individuals. Please check with the particular test vendor regarding their specific deadlines for seat release. There are no exceptions to the requirement to match the reserved seats to valid enrollments in NMLS.

Visit the [Pearson VUE](#) or [Prometric](#) Website for information on how to schedule Group Appointments for the selected location. To reserve a group appointment, be prepared to provide the company NMLS ID, the requested number of seats, the SAFE MLO test component name, the preferred testing date and the preferred test center location.

NOTE: Candidates names and NMLS Individual ID numbers that are provided in the group appointment request must be the same as they appear in their NMLS accounts.

4.5 Holiday Schedule

The following holidays will be observed by all test center locations:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day

As particular test center locations may observe other state or local holidays, such dates will not be available for selection when scheduling a test at those centers.



Chapter Five: Appointment Cancellation and Rescheduling

5.1 Appointment Changes

Candidates are issued a confirmation number by Pearson VUE or Prometric upon scheduling a test appointment. Candidates can use this confirmation number to contact their test vendor via the vendor's call center or website to cancel or reschedule their appointment.

NMLS policy requires candidates to cancel or reschedule their tests no later than 12 p.m. local time (at the location where the test is being taken), two business days prior to the scheduled appointment. Candidates must adhere to the following schedule for rescheduling/cancelling a test appointment.

Appointment scheduled for:	Must be cancelled or rescheduled no later than 12 p.m. local time on:
Sunday, Monday	Thursday of the preceding week
Tuesday	Friday of the preceding week
Wednesday	Monday of the same week
Thursday	Tuesday of the same week
Friday	Wednesday of the same week
Saturday	Thursday of the same week

If a holiday occurs during the normal cancellation/reschedule period, this schedule adjusts to define "timely cancellation" as one day earlier than stated above.

Test enrollment fees are non-refundable and non-transferable. Failure to follow the cancellation/reschedule policy or failure to show up for a scheduled test will result in the test enrollment window being closed. A candidate must request and pay for a new enrollment window prior to scheduling a new test appointment.

5.2 Weather Delays and Related Cancellations

The test centers will make all possible efforts to remain open for scheduled appointments, without risking the health and safety of staff and candidates. In the event that a test center is unable to open, a member of the test center staff will contact candidates to notify them of the need to reschedule their appointments without penalty.

If the test center opens late or closes early and the candidate has waited at least thirty minutes, the candidate can choose to either:

1. Stay and take the test with their full allotment of time, OR
2. Reschedule the appointment without penalty.



Chapter Five: Appointment Cancellation and Rescheduling

5.3 Request for a Complimentary Test Enrollment due to an Emergency Personal Hardship

NMLS requires testing candidates to cancel or reschedule their test no later than 12 p.m. local time (at the location where the test is being taken) two business days prior to the scheduled appointment. Failure to follow the cancellation/reschedule policy or failure to show up for a scheduled test will result in the closing of the test enrollment window. This would require a candidate to request and pay for a new enrollment window prior to scheduling a new test appointment.

NMLS understands, however, that there may be some unforeseeable and unavoidable emergencies beyond the control of a MLO candidate that can prevent timely cancellation of a scheduled testing appointment. If a candidate believes that an unavoidable personal hardship either made it impossible to reschedule the test appointment within the designated time frame or physically prevented them from taking the test on the day of the scheduled appointment, then the candidate may submit a written request for a complimentary test enrollment within 20 days of the original test date. Test fees are **non-refundable** and requests for refunds will *not* be considered.

Note: Inability to take the test due to workload, work conflicts, mechanical breakdown or an inability to properly prepare for the test are not considered emergencies. Requests citing those reasons will not be considered.

The written correspondence must include the following information:

- Candidate's full name
- NMLS ID#
- Contact information (including mailing address, telephone number, email address)
- Test component scheduled to be taken (i.e. National or name of the unique state component)
- Date test was scheduled
- Test location (city and state)
- Name of testing vendor (Pearson VUE or Prometric)
- Reason for the untimely cancellation or missing the scheduled appointment, (i.e. medical emergency, birth of a child, death of an immediate family member.)
- All requests ***must be*** supported with proper documentation from an independent third party, such as: doctor's note on letterhead, hospital admission report, police report, death certificate reflecting relationship, etc. Requests submitted without proper documentation will ***not*** be considered.

A request will only be considered if it contains the required information outlined above and the supporting documentation together in a single mailing. Upon receipt and verification of the request, NMLS will notify the candidate in writing within 20 days of receipt of correspondence regarding the issuance of a new complimentary test enrollment window. If the candidate is unable to wait for a decision to be made and takes the initiative to pay for and open a new test enrollment, NMLS will consider the request for a complimentary retest void and the fee will not be reimbursed for the subsequent enrollment.

Please send requests for complimentary test enrollment due to personal hardships to:

NMLS Complimentary Enrollment Coordinator
c/o Field Support Services
9509 Key West Avenue
Rockville, MD 20850



Chapter Six: Special Accommodations

6.1 Request an Accommodation

In compliance with the provisions of the Americans with Disabilities Act (ADA), reasonable testing accommodations with modifications and aids will be provided to candidates with documented disabilities.

To apply for reasonable testing accommodations, the company or candidate must submit the following two forms to the Special Accommodations team:

1. Special Accommodations Eligibility Questionnaire - This form resides on the [NMLS Resource Center](#) Website and must be submitted each time a new Special Accommodation request is made.
2. Special Accommodations Verification Request Form - This form resides on the [NMLS Resource Center](#) Website, and must be submitted for all initial accommodation requests, and resubmitted if any previously unrequested accommodations are being requested, or a different (new) disability is to be considered.

Additional information, such as clinical diagnostic data, may be requested in order to clarify the nature of the disability and the testing need. Data should be no more than five years old and must confirm the diagnosis of the disability. Documentation must also establish the candidate's current functioning and need for a reasonable testing accommodation.

The candidate is responsible for the cost of providing the documentation of the disability; however, there is no cost to the candidate for any modifications or auxiliary aids or services during or associated with the test administration.

NOTE: Candidates must submit the required form(s) to the Special Accommodations team at the address listed on the form(s). All documentation and forms submitted are confidential and will not be returned after submission to NMLS. Information contained in these documents will be used solely for the determination of special testing accommodations.

The Special Accommodations team considers and processes all requests for a reasonable testing accommodation and/or modification to standard testing conditions in accordance with the ADA. The Special Accommodations team works closely with the test delivery vendors to ensure proper compliance in providing any approved reasonable testing accommodation. All reasonable efforts will be made to render a decision on accommodation requests within five (5) business days.

A reasonable testing accommodation and/or modification may include, but is not limited to:

- additional testing time
- a reader or recorder
- a large print test booklet
- a paper and pencil test
- special equipment
- modified facilities

Once NMLS has made a decision, the candidate is sent a written confirmation of the approval or denial of the request. If additional documentation is required, the request will remain in a pending status for a period of thirty (30) days. If required documentation is not provided within the thirty day period, the candidate must reapply.



7.1 What to Bring

All candidates must bring one form of a current (non-expired) government-issued identification that includes the candidate's photo and signature.

Acceptable forms of candidate identification include but are not limited to:

- Government-Issued Driver's License
- Passport
- Military ID
- Police ID
- Firearm Owner's Registration ID
- Alien Registration Card (green card, permanent resident visa)

At check-in, the Test Center Administrator (TCA) will verify that the identification presented matches the name in the test appointment system. Therefore, it is imperative that candidates who have changed their names provide the TCA with official written documentation of the change (e.g. a marriage license, divorce decree, or other official form of documentation).

Candidates must use their legal name as it appears on their NMLS account when scheduling a test. The name on the appointment must match the candidate's identification.

Candidates who do not present the required items will be denied admission to the test center and considered absent, resulting in closure of their enrollment window.

7.2 Test Procedures

- Candidates should report to the test center thirty minutes prior to their scheduled appointment, and check in with the Test Center Administrator (TCA).
- Upon arrival at Pearson VUE test centers, candidates are photographed and a digital capture of their palm print is taken for entry and re-entry purposes. Upon arrival at Prometric test centers, candidates are photographed.
- After the check-in process is complete, the TCA will provide a wipe board and a basic calculator. Personal calculators will not be permitted. In the event that the test center does not have a calculator available, candidates have the right to reschedule the appointment at the test vendor's expense. The wipe board and calculator must be returned to the TCA before exiting the test center.

7.3 NMLS Rules of Conduct

Prior to the start of a test component, candidates are presented with the NMLS Rules of Conduct.

****PLEASE READ CAREFULLY****

Candidates are required to read and electronically accept these rules before they will be permitted to start their tests.

NMLS Rules of Conduct

Prohibition Against Assistance, the Use of Study Materials, and Misconduct

I understand that:

1. I am attesting that I am the person I represent to be for this session.
2. I must not take or attempt to take any personal items including, but not limited to, notes, formulas, study materials, or electronic devices into the testing room. I will place all personal belongings in the locker provided by the testing vendor prior to entering the testing room.
3. I must not receive or attempt to receive any form of assistance during the test or restroom breaks.
4. I must not give or attempt to give any form of assistance during the test or restroom breaks.
5. I must not use or attempt to use a telephone, cellular phone, pager, hand held computer or other communication device, electronic or otherwise, during the test or restroom breaks.
6. I must only go to the restroom when on a break. I must not deviate during my travels to and from the restroom for any reason. I must not leave the building. I must not access my locker.
7. I must not remove or attempt to remove any written, printed, or recorded materials from the test center other than the score report provided by the center staff. The test materials remain the property of NMLS and/or developing organization(s), and I shall maintain the confidentiality of the materials, including the questions and my answers to them.
8. I must not engage in any conduct that is disruptive or threatening to a test center staff member or another candidate.
9. I must not engage in any conduct that creates a disturbance or interferes with the administration of the test or with the administration of other candidates' tests.

10. I must not engage in any conduct that would be contrary to good character or reputation, or engage in any behavior that would cause the public to believe that I would not operate in the mortgage loan business lawfully, honestly or fairly.
11. I must not engage in any conduct that is dishonest, fraudulent, or would adversely impact the integrity of the test or the test procedure.

I UNDERSTAND THAT TEST CENTER REPRESENTATIVES WILL REPORT ANY ALLEGED VIOLATIONS TO THE NMLS AND THAT NMLS MAY REPORT ALLEGED VIOLATIONS TO THE STATE(S) IN WHICH I AM SEEKING LICENSURE OR ANY OTHER STATES.

I FURTHER UNDERSTAND THAT THE RESULTS OF ANY INVESTIGATION INTO MY ALLEGED VIOLATIONS MAY BE REPORTED TO THE STATE(S) IN WHICH I AM SEEKING LICENSURE OR ANY OTHER STATES.

REPORTS OF ALLEGED VIOLATIONS OR RESULTS OF INVESTIGATIONS INTO ALLEGED VIOLATIONS MAY SUBJECT ME TO DISCIPLINARY ACTION BY THE STATE(S), INCLUDING DENIAL OR REVOCATION OF MY LICENSE(S).

The NMLS Rules of Conduct verify that candidates understand and acknowledge the rules of conduct that must be followed during the testing process. If a candidate does not accept the NMLS Rules of Conduct, the candidate will not be permitted to take the test.

7.4 Navigational Tutorial

Candidates are required to complete a navigational tutorial prior to beginning a test. Candidates may repeat the tutorial as needed until they are comfortable with the general navigation used during testing. Any time spent in the navigation tutorial does not reduce the overall test time. The Test Center Administrator (TCA) may answer questions of a general nature, but candidates should be aware that the TCAs are not familiar with the content of the test or with the states' licensing requirements.

Candidates may begin the test once they are familiar with the navigational options. The test begins the moment a candidate accesses the first test question. Candidates may choose to exit the test at any time, but the test will end automatically after the allotted time has expired. Candidates will be given an unofficial score report, before leaving the center. A sample of an Unofficial Score Report is presented at Appendix C.

NOTE: The test result will become official once it is posted to NMLS.



Chapter Eight: Test Center Policies

8.1 Test Policies

Please go to the [Pearson VUE](#) or [Prometric](#) Website for a complete listing of test center policies.

The following policies are observed at each test center. In some instances, candidates who violate these policies may not be permitted to finish the test and may be dismissed from the test center. Dismissal prior to completion of a test may result in closure of the test enrollment window.

- Basic calculators are provided at the test center. Calculator malfunctions are not grounds for challenging test results or requesting additional test time.
- No personal items are allowed in the testing room. Personal items include, but are not limited to: cellular phones, hand held computers/personal digital assistants (PDAs) or other electronic devices, pagers, watches, wallets, purses, firearms or other weapons, hats, bags, coats, books and/or notes, pens or pencils.
- Candidates must store all personal items in a secured locker as instructed by the Test Center Administrator (TCA) or return items to their vehicles. All electronic devices must be turned off before storing them in a locker. The test center is not responsible for lost, stolen or misplaced personal items.
- Dictionaries, books, papers (including scratch paper), and reference materials are not permitted in the test room. Candidates are strongly urged not to bring such materials to the test center. Upon entering and being seated in the testing room, the TCA will provide the candidates with a 4-function basic calculator and with writing materials. The candidate may not write on the wipe board before the test begins or remove these items from the test room.
- Eating, drinking, chewing gum, smoking and/or making noise that creates a disturbance for other candidates is prohibited during testing.
- Candidates are allowed to take unscheduled breaks. To request an unscheduled break, candidates must raise their hands to get the TCA's attention. Once granted the break, candidates must leave the testing room. The test clock will **NOT** stop while candidates are taking a break, thus candidates' test times will be shortened.
- Candidates are not permitted to leave the floor or building for any reason while on a scheduled or unscheduled break. If candidates are discovered to have left the floor or building, they may be dismissed.

- While taking an unscheduled break, candidates are permitted to access personal items that are being stored during the test, only if necessary. For example, candidates may need to access personal medication that must be taken at a specific time. Candidates must receive permission from the Test Center Administrator (TCA) prior to accessing personal items that have been stored. Candidates are not allowed to access certain items, including but not limited to - cellular phones, PDAs, test notes, study guides.
- If candidates do not follow the NMLS Rules of Conduct and are caught cheating and/or are suspected of tampering with the test, they will be reported to NMLS. Candidates causing a disturbance of any kind, such as giving or receiving help; using notes, books, or other aids; taking part in an act of impersonation; or removing test materials or notes from the test room or center, will be reported to NMLS.



Chapter Nine: Test and Survey Results

9.1 Exit Survey

Upon completion of the test, an exit survey is presented to gather feedback regarding the overall candidate testing experience. Participation in the exit survey is optional.

Results of the exit survey are reviewed by the test delivery vendors and administrators and used to improve the overall quality of service. Choosing the option to participate or not participate in the survey has no bearing on the test results. Candidates will not be contacted about their survey responses unless requested.

9.2 Score Reporting

Before departing the test center, a printed score report is presented to the candidate by the TCA. The score report given at the test center is not official until the test results are posted in NMLS. A sample of the score report received at the test center is located in [Appendix C](#).

On the Unofficial Score Report and Official Score in NMLS, a candidate's score will be presented as an integer from 0 – 100%. The calculated scores are truncated and no fractions or decimals are presented. This means that the test scores are reported using the first two digits only. For example, if a state test component has 55 scored questions, candidate "A" who answers 41 questions correct out of 55 will have a reported score of 74%. The trailing decimals .545 are truncated. Likewise, candidate "B" who correctly answers 42 questions out of 55 on the same state component, receives a reported score of 76% and the trailing decimals, .363 are truncated.

This practice, which is commonly used in high-stakes license testing, ensures compliance with the SAFE Act which states that candidates must receive *"a test score of not less than 75 percent correct answers to questions."* In order to be considered a passing result, the test score must meet or exceed the legislated passing standard of 75%. These scores are not rounded up because 74.5%, for example, does not constitute a passing result.

9.3 Posting Official Test Results to NMLS Composite View

NMLS will post the official version of the test results for the MLO, comprised of the test result (pass/fail) and score (percentage correct) to the Testing Information section under the Composite View tab of NMLS. NMLS will send a notification email to the candidate and any company with access to the candidate's record in NMLS when official results are posted.

9.4 Replacement Score Reports

Official test scores may be printed from the Composite View section of NMLS. Official test scores printed from NMLS will not provide candidates with information on their performance, but will display only the final result and score. For replacement copies of an unofficial score report (obtained at the test center), that was lost or damaged, please contact the NMLS Call Center at 240-386-4444.



9.5 Test Content Comments and Challenges

NMLS is committed to ensuring that every question on the SAFE Mortgage Loan Originator Test meets high standards of quality. To meet this goal, each question undergoes a thorough review process before appearing on any test. Every question is reviewed by a panel of experienced subject matter experts and statistically evaluated prior to appearing as a scored test question.

However, if you have a concern about a SPECIFIC question that appeared on your test, please submit written correspondence by mail to NMLS—Content Review Team. The comment or challenge must be received within 20 days of the test date.

The NMLS Rules of Conduct does not permit individuals to copy any test questions before leaving the test center. You are not expected to recreate the entire question in your correspondence. However, please include *as many details as possible about the specific test question(s)* you are referring to. If you know the question number, please include this as well.

NOTE: NMLS is required to maintain appropriate test security and cannot release any test questions and answers to **any** candidates. *If your concern is regarding the unscored questions on your test, please see section 2.1 Test Components and Specifications.*

Your written correspondence must include the following information:

- Full name
- NMLS ID#
- Contact information (including mailing address, telephone number, email address)
- Test component taken (i.e. national or name of unique state component)
- Date test was taken
- Test location
- Type of test center (Prometric or Pearson VUE)
- Test score
- Specific test question concern or other specific test deficiency

NMLS will investigate comments and provide a written response within 20 days of receipt of correspondence.

Please send test content correspondence to:

NMLS Content Review Team
 c/o Conference of State Bank Supervisors
 1129 20th Street, N.W., 9th Floor
 Washington, DC 20036



Chapter Ten: Retaking a Failed Test/ Waiting Period

10.1 Retaking a Failed Test / Waiting Period

As prescribed by the S.A.F.E. Mortgage Licensing Act, a waiting period is required prior to the candidate being allowed to retake a failed test component (either National or State). On June 30, 2011 the US Department of Housing and Urban Development (HUD) published its final rule (the Rule) about the implementation of the SAFE Act. The Rule states that a candidate may take a SAFE MLO Test Component three times before being required to sit out the 180-day wait period. A candidate must request and pay for a separate test enrollment for each attempt to pass a national or state test.

The candidate is subject to a waiting period of thirty (30) calendar days from the previous test date prior to retaking the test. After every third failed test, the candidate is subject to a waiting period of one hundred eighty (180) calendar days before he or she is able to retake the test. NMLS will allow the candidate to request and pay for a new test enrollment window immediately following the failure of a test. However, the window will not allow the candidate to reschedule the test for a date prior to the waiting period being satisfied. The table below defines the waiting period cycle:

Test Retake Cycle Table

Test Attempt	Test Result	Retake Waiting Period
Initial	Fail	30 days
2nd	Fail	30 days
3rd	Fail	180 days
Initial (New retake cycle starts)	Fail	30 days
2 nd	Fail	30 days
3 rd	Fail	180 days
Initial (New retake cycle repeats the previous cycles)		

NOTE: The waiting period applies to each specific test. Failing one test, such as the National Component, does not impose a waiting period on a different test, such as a Unique State Component.

CANDIDATES WHO PASS A TEST COMPONENT ARE NOT PERMITTED TO RETAKE THE SAME TEST COMPONENT AGAIN.

Appendix A

Glossary of URLs

NMLS Resource Center Home Page - General information on NMLS and links to log in to the system. <http://mortgage.nationwidelicencingsystem.org/Pages/default.aspx>

NMLS Resource Center - Information for Mortgage Loan Originator (MLO) Candidates, including information on how to create an account in NMLS and request test enrollments for participating states and jurisdictions. <http://mortgage.nationwidelicencingsystem.org/licensees/MLOs/Pages/default.aspx>

NMLS Company Quick Guide Page - Information on how a company can pay for test enrollments. <http://mortgage.nationwidelicencingsystem.org/licensees/resources/Pages/QuickGuides.aspx>

NMLS State Licensing Resource Page - Information on participating states and state-specific testing and education requirements. <http://mortgage.nationwidelicencingsystem.org/slr/Pages/default.aspx>

NMLS Professional Requirements Page - Information regarding Testing, Education, and Background Check requirements. <http://mortgage.nationwidelicencingsystem.org/profreq/Pages/default.aspx>

NMLS Testing Page - Information regarding the MLO national and state-specific tests, test availability, test center locations, special accommodations, and testing policies, as well as the ability to access the MLO Testing Handbook (this document). <http://mortgage.nationwidelicencingsystem.org/profreq/testing/Pages/default.aspx>

NMLS Education Page - Information on pre-license and continuing education for MLOs, including links to identify and register for educational offerings. <http://mortgage.nationwidelicencingsystem.org/profreq/education/Pages/default.aspx>

Pearson VUE - One of the test vendors for MLO tests. <http://www.pearsonvue.com/nmls>

Pearson VUE (Create Profile) - Used to create a profile on Pearson VUE's site prior to scheduling a test: <https://www9.pearsonvue.com/Dispatcher?webApp=LoginRequest&webContext=CreateAccount&cid=537>

Prometric - One of the test vendors for MLO tests. <http://www.prometric.com/NMLS/>

Appendix B

Sample Test Questions

This section of the Appendix contains ten (10) sample questions to help prepare for the MLO tests. These questions are similar to those that may be included on the National Component of the SAFE MLO Test. The answers to the questions are located in the table at the end of this section.

1. A discount point is BEST described as a charge the borrower pays to:
 - (A) a lender to decrease the interest rate on the mortgage loan
 - (B) a mortgage broker at the time of application to obtain a favorable rate
 - (C) the seller as part of the closing costs of a loan
 - (D) a lender to ensure against foreclosure

2. A buyer has made an earnest money payment of \$5,000. The buyer pays an additional \$2,000 in option money to be credited at closing on a property with a sale price of \$160,000. If the required down payment is 20%, how much additional money will the buyer need to provide toward the down payment at closing?
 - (A) \$32,000
 - (B) \$27,000
 - (C) \$30,000
 - (D) \$25,000

3. If an applicant works 40 hours every week and is paid \$13.52 per hour, what is the
4. applicant's monthly income?
 - (A) \$2,163.20
 - (B) \$2,343.47
 - (C) \$2,379.52
 - (D) \$2,487.68

4. The requirement for private mortgage insurance is generally discontinued when the loan-to-value ratio falls below:
 - (A) 20%
 - (B) 50%
 - (C) 80%
 - (D) 90%

5. Which of the following documents itemizes all settlement costs including lender charges?
 - (A) Agreement of sale
 - (B) HUD-1 form
 - (C) Form 1003
 - (D) Forbearance agreement

6. According to the Truth-in-Lending Act (TILA), the term "refinance" applies to:
 - (A) a change in a payment schedule
 - (B) a reduction in annual percentage rate
 - (C) the renewal of a single payment obligation with no change in the original terms
 - (D) the satisfaction of an existing obligation and its replacement by a new obligation

Appendix B

Sample Test Questions (cont.)

7. What does a loan originator use to determine the estimated value of a property based on an analytical comparison of similar property sales?
 - (A) An appraisal
 - (B) A market survey
 - (C) An area survey
 - (D) A cost-benefit analysis

8. Which of the following methods of disclosure does NOT meet the requirements of the Equal Credit Opportunity Act (ECOA)?
 - (A) E-mail
 - (B) Mailed letter
 - (C) Telephone
 - (D) Faxed letter

9. The term “20 basis points” expressed as a percentage is:
 - (A) 0.02%
 - (B) 0.20%
 - (C) 2.00%
 - (D) 20.00%

10. According to the Truth-in-Lending Act (TILA), which of the following fees is EXCLUDED from the calculation of the annual percentage rate?
 - (A) Hazard insurance
 - (B) Wire transfer
 - (C) Prepaid interest
 - (D) Mortgage insurance premiums

Appendix B

Sample Test Questions (cont.)

Answers to Sample Questions		
Question Number	Correct Answer	Reference
1	A	
2	D	$\$160,000$ (sale price) \times $.20$ (down payment percentage) = $\$32,000$; $\$32,000 - [\$5,000$ (earnest money) + $\$2,000$ (option money)] = $\$25,000$
3	B	40 hours per week \times $\$13.52$ per hour = $\$540.80$ (weekly income); $\$540.80 \times 52$ weeks per year = $\$28,121.60$ (yearly income); $\$28,121.60 / 12$ months = $\$2343.47$ (monthly income)
4	C	
5	B	
6	D	
7	A	
8	C	
9	B	
10	A	

Appendix C

Sample Unofficial Score Report Received at Test Center

Nationwide Mortgage Licensing System and Registry (NMLS)

EXAM TITLE: MA - SAFE Mortgage Loan Originator Test - State Component
 EXAM SERIES: 16
 NAME: DOE, JANE

ID NUMBER: 50562

DATE: 05/15/2009

EXAM DATE: Fri, Apr 24, 2009

SCORE: 60%

GRADE: Fail

SECTION ANALYSIS

SECTION ANALYSIS	SCORE	
1 Mortgage Regulatory Agencies	33%	1 of 3 correct.
2 State Law and Regulation Definitions	50%	3 of 6 correct.
3 Loan Originator License Law and Regulation	50%	5 of 10 correct.
4 Compliance	74%	20 of 27 correct.
5 Disciplinary Action	33%	2 of 6 correct.
6 Unique State Test Areas	66%	2 of 3 correct.
 Totals.....	 60%	 33 of 55 correct.