

**535D.8 Test requirements.**

1. An applicant for licensure shall pass a qualified written test developed by the nationwide mortgage licensing system and registry and administered by a test provider approved by the nationwide mortgage licensing system and registry based upon reasonable standards.

2. A written test shall not be treated as a qualified written test for purposes of [subsection 1](#) unless the test, in the determination of the nationwide mortgage licensing system and registry, adequately measures the applicant's knowledge and comprehension in appropriate subject areas including the following:

- a. Ethics.
- b. Federal laws and regulations pertaining to residential mortgage loan origination.
- c. State laws and regulations pertaining to residential mortgage loan origination.
- d. Other relevant federal and state laws and regulations, including instruction on fraud, consumer protection, the nontraditional mortgage marketplace, and fair lending issues.

3. Nothing in [this section](#) shall prohibit a test provider approved by the nationwide mortgage licensing system and registry from providing a test at the location of the employer of the applicant or the location of any subsidiary or affiliate of the employer of the applicant, or the location of any entity with which the applicant holds an exclusive arrangement to conduct the business of a mortgage loan originator.

4. An applicant shall not be considered to have passed a qualified written test unless the applicant achieves a test score of not less than seventy-five percent correct answers to questions. An applicant who fails to achieve a test score of not less than seventy-five percent correct answers to questions may retake the test three consecutive times with each consecutive retake occurring at least thirty days after the preceding test. After three consecutive failed tests, an individual shall be required to wait at least six months before taking the test again. A licensed mortgage loan originator who fails to maintain a valid license for a period of five years or longer shall be required to retake and successfully pass the test, not taking into account any time during which such individual is a registered mortgage loan originator.

[2009 Acts, ch 61, §9, 25](#)

Referred to in [§535D.6](#)