Arizona Department of Insurance and Financial Institutions (DIFI),
Pre-licensure Education (PE) Notice

Purpose
The purpose of this notice is to inform NMLS approved course providers of the required topics
to be covered in the 4-hour state specific pre-licensure education (PE) requirement which must
be met as a condition for obtaining a mortgage loan originator (MLO) license with the Arizona
Department of Insurance and Financial Institutions.

AZ PE requirements are as follows:
- 3 hours of Federal law;
- 3 hours of Ethics;
- 2 hours of non-traditional mortgage lending;
- 8 hours of general electives;
- 4 hours of AZ state-specific defined electives

Total PE: 20 Hours

Required Learning Objectives:
- Articulate the prohibited acts for a mortgage loan originator licensed with the Arizona
  DFI (A.R.S. 6-991.02).
- Understand the requirements for marketing and advertisements – A.R.S. 6-991.02(C),
  and (N) as well as marketing/advertisement requirements for mortgage brokers and
  mortgage bankers – A.R.S. 6-909(C); 6-903(P); 6-943(N); 6-947(D)
- Know the minimum loan amounts allowed under Arizona Revised Statutes Title 6,
  Chapter 9, Articles 1 and 2.
- Explain the requirements for license renewal. Define the Inactive Status and identify its
  use. Understand the requirements for address changes. – A.R.S. 6-991.04

AZ has established the following required topics list for the 4 hours of state-specific PE:
- General Provisions of the Commissioner’s Supervision
- Examinations and Audits
- Records and Reports
- Escrow and Trust Accounts
- Disclosures and Advertising
- Conditions and Limitations of Certain Mortgage Transactions
- Residential Mortgage Loans
- Enforcement
- Investigation of Violations and Unsafe Practices; Remedial Action
- Disciplinary and Other Actions
- Prohibited Acts; Penalties
**References:**


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**NMLS Approving Authority**

In accordance with the SAFE Act, NMLS is the approval authority for courses that are intended to satisfy the PE & CE requirement for an MLO to be licensed by a state-agency. Courses intending to satisfy these requirements must also meet NMLS course approval standards as detailed in the *Functional Specification for All NMLS Approved Courses*.

**Legislative Updates**

Course providers are responsible for keeping abreast of changes made to the applicable statutes, regulations and rules.