

FEDERAL LAW PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. What is the purpose of the Truth in Lending Act (TILA)?**
 - A. Promote informed use of credit through clear disclosure of loan terms and costs
 - B. Protect consumers in the settlement process
 - C. Regulate real estate appraisals
 - D. Set mortgage interest rates
- 2. Under Rule 12(b)(6), when should a court dismiss for failure to state a claim?**
 - A. When the court determines there is no subject matter jurisdiction.
 - B. When the complaint, even presumed true, fails to allege a plausible claim for relief.
 - C. When the pleadings show a lack of standing.
 - D. When the defendant files an answer and asserts a defense.
- 3. Which statement correctly lists the Rule 23 class action prerequisites?**
 - A. Numerosity.
 - B. Commonality.
 - C. Numerosity, adequacy of representation, commonality, and typicality.
 - D. Numerosity, commonality, and typicality.
- 4. What are Rule 11 sanctions?**
 - A. Sanctions are for presenting fraudulent evidence only.
 - B. Sanctions are only for missed deadlines alone.
 - C. Sanctions for presenting improper, frivolous, or unsupported pleadings or motions.
 - D. Sanctions can be awarded for strategic advantage.
- 5. Which data item is NOT included in HMDA reporting?**
 - A. Credit score
 - B. Loan amount
 - C. Property type
 - D. Loan purpose

- 6. Which type of order is typically eligible for immediate appeal under the collateral order doctrine?**
- A. Order denying sovereign immunity.
 - B. Order denying a motion to compel.
 - C. Order granting summary judgment.
 - D. Order denying discovery request.
- 7. Which statement best describes 28 U.S.C. § 1367 supplemental jurisdiction?**
- A. It Limits Federal Jurisdiction To Federal Claims Only.
 - B. It Allows District Courts To Hear Related State-Law Claims That Form Part Of The Same Case Or Controversy When There Is Proper Federal Jurisdiction Over A Claim.
 - C. It Allows Removal Of State-Law Claims Into Federal Court Regardless Of Jurisdiction.
 - D. It Requires State Courts To Abstain From Hearing Related Claims.
- 8. Under RR, which item is included in the 10% tolerance relating to fees?**
- A. Recording Fees
 - B. Transfer Taxes
 - C. Appraisal Fees
 - D. Title Insurance
- 9. Which statement is true about general jurisdiction in personal jurisdiction doctrine?**
- A. General jurisdiction is based on the defendant's contacts related to the claim.
 - B. General jurisdiction is based on continuous and systematic contacts with the forum.
 - C. General jurisdiction requires the defendant to be domiciled in the forum.
 - D. General jurisdiction exists in every case where the defendant is served in the state.
- 10. In the ALIENS acronym, what does S stand for?**
- A. Social Security Numbers (SSNs)
 - B. Security Deposit
 - C. Source of Funds
 - D. Signature

Answers

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1. A
2. B
3. C
4. C
5. A
6. D
7. B
8. A
9. B
10. A

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Explanations

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1. What is the purpose of the Truth in Lending Act (TILA)?

- A. Promote informed use of credit through clear disclosure of loan terms and costs
- B. Protect consumers in the settlement process
- C. Regulate real estate appraisals
- D. Set mortgage interest rates

The main idea behind the Truth in Lending Act is to make consumer credit costs clear so people can compare loans and understand exactly what they're agreeing to. It requires lenders to disclose key terms in a standardized way—things like the annual percentage rate, total finance charges, payment schedule, and the amount financed—so the true cost of borrowing isn't hidden. This transparency helps you evaluate offers and avoid surprise fees. TILA also lays out protections tied to these disclosures, such as the right of rescission for certain loans secured by a dwelling. Why the other options don't fit: protecting consumers in the settlement process is the domain of RESPA, not TILA; regulating real estate appraisals is handled by FIRREA/related appraisal oversight, not TILA; and setting mortgage interest rates isn't something TILA does—the rates are determined by market conditions and lenders, with TILA focusing on disclosure, not rate setting.

2. Under Rule 12(b)(6), when should a court dismiss for failure to state a claim?

- A. When the court determines there is no subject matter jurisdiction.
- B. When the complaint, even presumed true, fails to allege a plausible claim for relief.
- C. When the pleadings show a lack of standing.
- D. When the defendant files an answer and asserts a defense.

The main idea tested is whether a case can be thrown out at the pleading stage for not stating a claim upon which relief can be granted. Under Rule 12(b)(6), a court will dismiss if the complaint, even if all the factual allegations are assumed true, does not plead a plausible claim for relief. The plausibility standard comes from Twombly and Iqbal and requires more than bare legal conclusions or mere speculation; the facts alleged must make the plaintiff's entitlement to relief plausible on the face of the complaint. So this choice is correct because it captures that dismissal happens when the complaint, accepted as true, fails to allege a plausible claim. The other options point to issues not governed by Rule 12(b)(6): lack of subject-matter jurisdiction (Rule 12(b)(1)); lack of standing (usually jurisdictional as well); or the existence of an answer and defenses, which does not by itself trigger dismissal for failure to state a claim at the pleading stage.

3. Which statement correctly lists the Rule 23 class action prerequisites?

- A. Numerosity.
- B. Commonality.
- C. Numerosity, adequacy of representation, commonality, and typicality.
- D. Numerosity, commonality, and typicality.

Rule 23(a) requires four prerequisites for certifying a class: numerosity, adequacy of representation, commonality, and typicality. Numerosity means the class is so numerous that joining all members would be impracticable. Adequacy of representation means the named plaintiffs will fairly and adequately protect the class's interests, including having competent counsel and no conflicts that would undermine prosecution. Commonality means there must be questions of law or fact common to the class. Typicality means the named plaintiffs' claims or defenses are typical of the class's claims or defenses. Because all four conditions must be satisfied, the statement that lists numerosity, adequacy of representation, commonality, and typicality is the correct one.

4. What are Rule 11 sanctions?

- A. Sanctions are for presenting fraudulent evidence only.
- B. Sanctions are only for missed deadlines alone.
- C. Sanctions for presenting improper, frivolous, or unsupported pleadings or motions.**
- D. Sanctions can be awarded for strategic advantage.

Rule 11 sanctions punish filings to the court that haven't been reasonably checked, especially when made for improper purposes or without adequate factual or legal support. When a lawyer signs a pleading, they certify that to the best of their knowledge, information, and belief formed after a reasonable inquiry: the filing is not for an improper purpose, the legal claims are warranted by existing law or supported by a nonfrivolous argument for extending or modifying the law, and the factual allegations have evidentiary support. If a filing violates these commitments, the court may impose sanctions on the attorney, the law firm, or the party. Sanctions can include monetary penalties, such as paying the opposing side's attorney's fees, or non-monetary measures. There's a safe harbor that requires a party seeking sanctions to serve the motion on the other side at least 21 days before filing, giving a chance to withdraw or fix the issue. Rule 11 applies to pleadings, motions, and other papers filed with the court.

5. Which data item is NOT included in HMDA reporting?

- A. Credit score**
- B. Loan amount
- C. Property type
- D. Loan purpose

HMDA reporting is designed to capture loan-level information that reveals patterns in mortgage lending and access to credit, while avoiding exposing sensitive individual credit profiles. The data collected focus on the loan itself and broad borrower characteristics that regulators use to analyze fairness and disparities. Loan amount, property type, and loan purpose are all fundamental fields in the HMDA dataset because they describe the transaction and help regulators compare lending across products, geographies, and lenders. A borrower's credit score, although important for underwriting, is not part of the standard HMDA public reporting fields. Including it would raise privacy concerns and would complicate the uniform, aggregate data HMDA is intended to provide.

6. Which type of order is typically eligible for immediate appeal under the collateral order doctrine?

- A. Order denying sovereign immunity.
- B. Order denying a motion to compel.
- C. Order granting summary judgment.
- D. Order denying discovery request.**

The key idea is the collateral order doctrine: a non-final ruling can be appealed immediately only if it (1) conclusively resolves an important question, (2) that is completely distinct from the merits of the case, and (3) would be effectively unreviewable on appeal from a final judgment. An order denying sovereign or official immunity typically fits this trio. Immunity from suit is a threshold defense that, if not reviewed now, could be lost forever or would be difficult to correct after the case proceeds to trial and a final judgment is entered. Because the immunity issue is central, separable from the merits, and not easily reviewable later, courts routinely allow immediate appeal of that denial. By contrast, a denial of a discovery request usually doesn't present a question that is both conclusively resolved and completely separable from the merits, nor is it generally unreviewable after a final judgment, so it is not commonly appealable under the collateral order doctrine. A grant of summary judgment is itself a final judgment on the merits, not a non-final collateral order, so it isn't treated as collateral-on-appeal. A denial of a motion to compel falls into the same broad discovery category and typically isn't a collateral-order appeal.

7. Which statement best describes 28 U.S.C. § 1367 supplemental jurisdiction?

- A. It Limits Federal Jurisdiction To Federal Claims Only.
- B. It Allows District Courts To Hear Related State-Law Claims That Form Part Of The Same Case Or Controversy When There Is Proper Federal Jurisdiction Over A Claim.**
- C. It Allows Removal Of State-Law Claims Into Federal Court Regardless Of Jurisdiction.
- D. It Requires State Courts To Abstain From Hearing Related Claims.

Supplemental jurisdiction lets a federal court that has original jurisdiction over a claim also hear closely related state-law claims that form part of the same case or controversy. When there is proper federal jurisdiction over at least one claim, the court may include other state-law claims that share a common nucleus of operative fact, so the entire dispute can be resolved in one action. This is why the statement describing the provision as allowing district courts to hear related state-law claims that form part of the same case or controversy when there is proper federal jurisdiction over a claim is the best fit. The other options misstate the idea: the statute does not limit federal jurisdiction to federal claims, it does not authorize removal of state-law claims regardless of jurisdiction, and it does not require state courts to abstain from hearing related claims.

8. Under RR, which item is included in the 10% tolerance relating to fees?

- A. Recording Fees**
- B. Transfer Taxes
- C. Appraisal Fees
- D. Title Insurance

Under TRID closing rules, some fees can vary from the estimated charges to the actual charges at closing, limited by specific tolerances. One category carries a 10% cumulative tolerance for certain third party charges. Recording fees are part of that 10% tolerance bucket because they are charges to the local recording office and can differ between estimate and final closing. Transfer taxes, appraisal fees, and title insurance are not governed by that same 10% tolerance in the same way, so recording fees are the item included.

9. Which statement is true about general jurisdiction in personal jurisdiction doctrine?

- A. General jurisdiction is based on the defendant's contacts related to the claim.
- B. General jurisdiction is based on continuous and systematic contacts with the forum.**
- C. General jurisdiction requires the defendant to be domiciled in the forum.
- D. General jurisdiction exists in every case where the defendant is served in the state.

General jurisdiction allows a court to hear any claim against a defendant when the defendant's contacts with the forum are so continuous and systematic that the defendant is essentially at home there. That broad, at-home level of connection is what makes the forum capable of exercising jurisdiction over all disputes involving the defendant, not just those arising from a particular claim. That is why the statement describing general jurisdiction as based on continuous and systematic contacts with the forum is the best fit. It captures the core idea that the defendant's ties to the forum are pervasive enough to justify broad authority. For context, individuals are generally subject to general jurisdiction where they are domiciled, and corporations are typically subject to general jurisdiction in places where they are at home (often the state of incorporation or principal place of business). But the essence remains: the continuous and systematic connection to the forum is what distinguishes general jurisdiction from claims-specific (specific) jurisdiction. Service in the state does not by itself establish general jurisdiction, and while domicile can be a basis for general jurisdiction for individuals, it is not the universal rule applicable to every defendant, especially corporations.

10. In the ALIENS acronym, what does S stand for?

- A. Social Security Numbers (SSNs)**
- B. Security Deposit
- C. Source of Funds
- D. Signature

In the ALIENS mnemonic used for customer identification, the S stands for Social Security Numbers (SSNs). SSNs are the government-issued, unique identifier commonly collected to verify a person's identity under CIP rules, typically alongside name, address, and date of birth. The other options aren't standard personal identifiers used for identity verification in this context—security deposits, sources of funds, and signatures don't serve as the universal identifiers needed to confirm who a person is.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://federallaw.examzify.com>

We wish you the very best on your exam journey. You've got this!

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