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BUSINESS AND PROFESSIONS CODE - BPC

DIVISION 4. REAL ESTATE [10000 - 11506] (*Division 4 added by Stats. 1943, Ch. 127.*)

PART 1. LICENSING OF PERSONS [10000 - 10580] (*Part 1 added by Stats. 1943, Ch. 127.*)

CHAPTER 7. Mineral, Oil and Gas Brokerage [10500 - 10580] (*Chapter 7 added by Stats. 1943, Ch. 749.*)

ARTICLE 4. Disciplinary Action [10560 - 10564] (*Article 4 added by Stats. 1943, Ch. 749.*)

10560. Upon grounds provided in this article and the other articles of this chapter, the license of any mineral, oil and gas licensee may be revoked or suspended in accordance with the provisions of this part relating to hearings.

(*Added by Stats. 1943, Ch. 749.*)

10561. The commissioner may, upon his or her own motion, and shall, upon the verified complaint in writing of any person, investigate the actions of any person engaged in the business or acting in the capacity of a mineral, oil, and gas licensee, within this state, and he or she may temporarily suspend or permanently revoke a mineral, oil, and gas license at any time if the licensee, while a mineral, oil, and gas licensee, in performing or attempting to perform any of the acts within the scope of this chapter, has been guilty of any of the following:

- (a) Making any substantial misrepresentation.
- (b) Making any false promises of a character likely to influence, persuade, or induce.
- (c) Acting for more than one party in a transaction without the knowledge or consent of all parties thereto.
- (d) Commingling with his or her own money or property the money or property of others that is received and held by him or her.
- (e) Claiming or demanding a fee, compensation, or commission under any exclusive agreement authorizing or employing a licensee to sell, buy, or exchange mineral, oil, or gas property for compensation, or commission where that agreement does not contain a definite, specified date of final and complete termination.
- (f) Claiming or taking by a licensee of any secret or undisclosed amount of compensation, commission, or profit, or the failure of a licensee to reveal to the employer of such licensee the full amount of the licensee's compensation, commission, or profit under any agreement authorizing or employing the licensee to do any acts for which a license is required under this chapter for compensation or commission prior to or coincident with the signing of an agreement evidencing the meeting of the minds of the contracting parties, regardless of the form of such agreement, whether evidenced by documents in an escrow or by any other or different procedure.
- (g) The use by a licensee of any provision allowing the licensee an option to purchase in an agreement authorizing or employing the licensee to sell, buy, or exchange mineral, oil, or gas property for compensation or commission, except when the licensee prior to or coincident with election to exercise the option to purchase reveals in writing to the employer the full amount of the licensee's profit and obtains the written consent of the employer approving the amount of that profit.
- (h) Any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing.

(*Amended by Stats. 2018, Ch. 285, Sec. 53. (AB 2884) Effective January 1, 2019.*)

10562. The commissioner may suspend or revoke the license of a mineral, oil, and gas licensee who has done any of the following:

- (a) Entered a plea of guilty or nolo contendere to, or been found guilty of, or been convicted of, a felony, or a crime substantially related to the qualifications, functions, or duties of a mineral, oil, and gas licensee, and the time for appeal has elapsed or the judgment of conviction has been affirmed on appeal, irrespective of an order granting probation following that conviction, suspending the imposition of sentence, or of a subsequent order under the provision of Section 1203.4 of the Penal Code allowing the licensee to withdraw his or her plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation or information.

(b) Knowingly authorized, directed, connived at or aided in the publication, advertisement, distribution, or circulation of a material false statement or representation concerning his or her business or a mineral, oil, or gas property offered for sale.

(c) Willfully disregarded or violated any of the provisions of the Real Estate Law (commencing with Section 10000) or of Chapter 1 (commencing with Section 11000) of Part 2 or of the rules and regulations of the commissioner for the administration and enforcement of the Real Estate Law and Chapter 1 (commencing with Section 11000) of Part 2.

(d) Acted or conducted himself or herself in a manner which would have warranted the denial of his or her application for a mineral, oil, and gas license.

(e) Willfully used the term "realtor" or a trade name or insigne of membership in a real estate organization of which the licensee is not a member.

(f) Demonstrated negligence or incompetence in performing an act for which he or she is required to hold a license.

(g) Has used his or her employment by a governmental agency in a capacity giving access to records, other than public records, in a manner that violates the confidential nature of the records.

(h) Any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing.

(Amended by Stats. 2007, Ch. 140, Sec. 2. Effective January 1, 2008.)

10562.5. When a final judgment is obtained in a civil action against any mineral, oil and gas licensee upon grounds of fraud, misrepresentation, or deceit with reference to any transaction for which a license is required under this division, the commissioner may, after hearing in accordance with the provisions of this part relating to hearings, suspend or revoke the license of such mineral, oil and gas licensee.

(Amended by Stats. 1953, Ch. 760.)

10564. The commissioner may suspend or revoke the mineral, oil, and gas license of a corporation as to any officer or agent acting under its mineral, oil, and gas license, without revoking the mineral, oil, and gas license of the corporation.

(Amended by Stats. 1993, Ch. 416, Sec. 23. Effective January 1, 1994.)