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INSURANCE CODE - INS

DIVISION 1. GENERAL RULES GOVERNING INSURANCE [100 - 1879.8] (*Division 1 enacted by Stats. 1935, Ch. 145.*)

PART 1. THE CONTRACT [100 - 679.75] (*Part 1 enacted by Stats. 1935, Ch. 145.*)

CHAPTER 2. Parties, Events, and Interests [150 - 305] (*Chapter 2 enacted by Stats. 1935, Ch. 145.*)

ARTICLE 4. Insurable Interest: Generally [280 - 287] (*Article 4 enacted by Stats. 1935, Ch. 145.*)

[280.](#) If the insured has no insurable interest, the contract is void.

(Enacted by Stats. 1935, Ch. 145.)

[281.](#) Every interest in property, or any relation thereto, or liability in respect thereof, of such a nature that a contemplated peril might directly damnify the insured, is an insurable interest.

(Enacted by Stats. 1935, Ch. 145.)

[282.](#) An insurable interest in property may consist in:

1. An existing interest;
2. An inchoate interest founded on an existing interest; or,
3. An expectancy, coupled with an existing interest in that out of which the expectancy arises.

(Enacted by Stats. 1935, Ch. 145.)

[283.](#) A mere contingent or expectant interest in anything, not founded on an actual right to the thing, nor upon any valid contract for it, is not insurable.

(Enacted by Stats. 1935, Ch. 145.)

[284.](#) Except in the case of a property held by the insured as a carrier or depositary, the measure of an insurable interest in property is the extent to which the insured might be damnified by loss or injury thereof.

(Enacted by Stats. 1935, Ch. 145.)

[285.](#) A carrier or depositary of any kind has an insurable interest in a thing held by him as such, to the extent of its value.

(Enacted by Stats. 1935, Ch. 145.)

[286.](#) An interest in property insured must exist when the insurance takes effect, and when the loss occurs, but need not exist in the meantime; an interest in the life or health of a person insured must exist when the insurance takes effect, but need not exist thereafter or when the loss occurs.

(Amended by Stats. 1935, Ch. 308.)

[287.](#) Every stipulation in a policy of insurance for the payment of loss whether the person insured has or has not any interest in the property insured, or that the policy shall be received as proof of such interest, is void.

(Enacted by Stats. 1935, Ch. 145.)