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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 2. THE BUSINESS OF INSURANCE [680 - 1879.8] (Part 2 enacted by Stats. 1935, Ch. 145.)

CHAPTER 5. Production Agencies [1621 - 1758.993] (Chapter 5 repealed and added by Stats. 1959, Ch. 4.)

ARTICLE 10. Termination of Licenses [1708 - 1712.5] (Article 10 added by Stats. 1959, Ch. 4.)

1708. A licensee may at any time surrender for cancellation any license under which that licensee is permitted to act in any of the capacities specified in this chapter. The licensee may make that surrender by written notice thereof delivered to the commissioner.
(Amended by Stats. 2021, Ch. 133, Sec. 14. (SB 272) Effective July 23, 2021.)

1710. All licenses issued to natural persons terminate upon the death of such person.
(Repealed and added by Stats. 1959, Ch. 4.)

1711. For the purposes of this chapter and except as provided in this article, an organization ceases to exist as an entity eligible to hold a license:

- (a) Upon dissolution of a copartnership or upon any change in membership of a copartnership.
- (b) Upon the termination of an association.
- (c) Upon dissolution of a corporation.

Provided, however, should a change occur in the membership of a copartnership licensed under this chapter, the surviving or continuing copartnership may continue to transact insurance under the license issued to the predecessor copartnership until action is taken by the commissioner on the application herein prescribed if the following requirements are met:

(1) The surviving or continuing copartnership within 30 days files an application on a form prescribed by the commissioner for registration of the change in membership, and pays the lawful fee therefor and, if acting as an insurance broker, furnishes the bond required under Article 5 (commencing with Section 1662).

(2) At least one person who exercised the agency or brokership powers of the predecessor copartnership continues to exercise the agency or brokership powers of the surviving or continuing copartnership.

(3) That application for registration be signed by a general partner.

(Amended by Stats. 1990, Ch. 1420, Sec. 43. Operative January 1, 1992, by Sec. 77 of Ch. 1420.)

1712. The termination of the existence of the license entity as provided in Section 1711, automatically terminates the right of that entity to transact insurance thereunder; except that a natural person, copartnership, association, or corporation licensed under this article, may continue to transact insurance under an existing license in either a different capacity or as a different organization or entity if a natural person is named to exercise the agency or brokerage powers of the license entity, and that natural person remains eligible to be so named, and if no substantial change in ownership and no change in control of the licensed insurance business has taken place; provided, that within 30 days following the change the person or the successor copartnership, association or corporation files a properly completed and executed application in the form prescribed by the commissioner for an appropriate license and pays the lawful fees therefor.

Nothing herein shall be construed to nullify any provision of Section 1718 except that any fee paid as required by subdivisions (a) or (b) of Section 1718 for a license not issued may be applied towards the fee for filing an application under this section.

(Amended by Stats. 1990, Ch. 1420, Sec. 44. Operative January 1, 1992, by Sec. 77 of Ch. 1420.)

1712.5. (a) The license of an organization licensed as a property broker-agent, casualty broker-agent, or life agent shall become inoperative upon the removal or termination of the last natural person named thereon, pursuant to Section 1656.

(b) Unless the license is reactivated by the correction of all deficiencies including, if necessary, the adding of a natural person to transact insurance under the authority of the organization's license pursuant to Section 1661, the license shall not be renewed.

(Amended by Stats. 2017, Ch. 417, Sec. 18. (AB 1696) Effective January 1, 2018.)