

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
300 CAPITOL MALL, 17TH FLOOR
SACRAMENTO, CALIFORNIA 95814

RH 04 03 7941
JULY 12, 2006

TEXT OF REGULATION
AS ADOPTED REGARDING
PRESCRIBED METHOD OF FILING OF NOTICES OF APPOINTMENT OF AGENTS
AND NOTICES OF TERMINATION OF APPOINTMENT OF AGENTS

ARTICLE 7.5 IS ADDED TO CALIFORNIA CODE OF REGULATIONS, TITLE 10
CHAPTER 5, SUBCHAPTER 1 TO READ:

ARTICLE 7.5. PRESCRIBED METHOD OF FILING NOTICE OF APPOINTMENT OF
AGENTS AND NOTICE OF TERMINATION OF APPOINTMENT OF AGENTS

Section 2190.20 Authority and Purpose.

These regulations are promulgated pursuant to the authority granted the Commissioner under the provisions of Sections 1707 of the California Insurance Code. Except as otherwise provided in Section 1704.5, each notice of appointment or notice of termination of appointment shall be filed on forms prescribed by the commissioner within 10 days of appointment or termination.

NOTE

Authority: Sections 1707, Insurance Code. Reference: Sections 1705, 1707.5, Insurance Code.

Section 2190.22 Prescribed Method of Electronic Filing.

Within six months of the effective date of these regulations, all insurance companies, unless excepted by section 2190.24, are required to submit appointments and terminations in an electronic form for the following license lines: Fire & Casualty, Life Agent, Travel Agent, Disability Only, Part Time Fraternal, Motor Club, Personal Lines, and Home Protections. Additional lines of authority may be added to this section as technological advancement will allow. Any paper appointments or terminations received after the six month grace period will be considered null and void.

Electronic submission into the department's Insurance Producer Licensing Database shall be through any of the following approved entities:

- (a) The National Insurance Producer Registry (NIPR) and its authorized business partners. NIPR is a subsidiary of the National Association of Insurance Commissioners (NAIC) and offers organizations the option of programming their own portal into NIPR or the option of using the portals provided by its authorized business partners. NIPR Authorized business partners may also be

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added or removed as new business partner agreements are made.

(b) Any additional vendors authorized by the California Department of Insurance to provide similar electronic submission services will be identified on the Department's official web site (www.insurance.ca.gov) as they become available. These regulations do not endorse any particular vendor.

(c) The California Department of Insurance also reserves the right to develop its own direct method of electronic submission of appointment and termination of company appointments.

NOTE

Authority: Sections 1707, Insurance Code. Reference: Sections 1705, 1707.5, Insurance Code.

Section 2190.24 Prescribed Alternate Methods of Filing.

(a) An exception to the electronic submission requirement for company appointments and terminations for the lines of authority specified under section 2190.22 is made for companies that annually appoint and terminate, in the aggregate, 25 or fewer agents. Requests for exceptions to this requirement must be submitted in writing with an Action Notice of Appointment (Form LIC 447-54A, (Rev. 3/2006)) or Action Notice of Termination (Form LIC 447-54T, (Rev. 6/2006)) with applicable fees.

(b) An exception to the electronic submission requirement for company appointments and terminations is also made for lines of authority not covered under section 2190.22. In those cases, the insurer shall continue to submit in writing both the applicable forms and fees.

NOTE

Authority: Sections 1707, Insurance Code. Reference: Sections 1705, 1707.5, Insurance Code.