

INSURANCE CODE

TITLE 13. REGULATION OF PROFESSIONALS

SUBTITLE A. GENERAL PROVISIONS

CHAPTER 4007. NOTICE TO DEPARTMENT BY CERTAIN PROPERTY AND  
CASUALTY INSURANCE COMPANIES REGARDING AGENTS

Sec. 4007.001. APPLICABILITY OF CHAPTER. This chapter applies only to an insurance company authorized to engage in the business of insurance in this state under:

- (1) a provision of:
  - (A) Chapter 5, 1805, or 2171; or
  - (B) Subtitle B, C, D, E, F, H, or I, Title 10; or
- (2) Chapter 861, 862, 883, 911, 912, 941, 942, 984, or 3503.

Added by Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 1I.001, eff. April 1, 2009.

Sec. 4007.002. NOTICE TO DEPARTMENT REQUIRED. (a) On forms prescribed by the commissioner, an insurance company shall notify the department not later than the 30th day after the date on which:

- (1) balances due from an insurance agent for more than 90 days exceed \$1 million or 10 percent of the company's policyholder surplus computed on December 31 of the preceding year or the most recent quarter if a report is specifically required by the department;
- (2) an agent's authority to settle claims for the company is withdrawn; or
- (3) the contract with an agent is canceled or terminated.

(b) An insurance company may comply with the notification requirement of Subsection (a)(1) by submitting a single annual report if:

- (1) the company routinely operates above the limit established by Subsection (a)(1); and
- (2) the commissioner verifies that fact under a procedure adopted by the commissioner.

Added by Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec.

1I.001, eff. April 1, 2009.