



# California Association of Licensed Repossessors "CALR" A Not-For-Profit Since 1961

[www.CALR.org](http://www.CALR.org)

*Individually we struggle to be heard - Collectively, we cannot be ignored*



## Law: Repossession Assignments

### BUSINESS AND PROFESSIONS CODE - BPC

#### DIVISION 3. PROFESSIONS AND VOCATIONS GENERALLY [5000 - 9998.11]

( Heading of Division 3 added by Stats. 1939, Ch. 30. )

#### CHAPTER 11. Repossessors [7500 - 7511]

( Chapter 11 added by Stats. 1981, Ch. 1138, Sec. 11. )

#### ARTICLE 1. General Provisions [7500 - 7500.3]

( Article 1 added by Stats. 1981, Ch. 1138, Sec. 11. )

#### 7500.1.

The following terms as used in this chapter have the meaning expressed in this section:

- (a) "Advertisement" means any written or printed communication, including a directory listing, except a free telephone directory listing that does not allow space for a license number.
- (b) "Assignment" means any written authorization by the legal owner, lienholder, lessor, lessee, registered owner, or the agent of any of them, to repossess any collateral, including, but not limited to, collateral registered under the Vehicle Code that is subject to a security agreement that contains a repossession clause. "Assignment" also means any written authorization by an employer to recover any collateral entrusted to an employee or former employee in possession of the collateral. A photocopy of an assignment, facsimile copy of an assignment, or electronic format of an assignment shall have the same force and effect as an original written assignment.
- (c) "Bureau" means the Bureau of Security and Investigative Services.
- (d) "Chief" means the Chief of the Bureau of Security and Investigative Services.
- (e) "Collateral" means any specific vehicle, trailer, boat, recreational vehicle, motor home, appliance, or other property that is subject to a security agreement.
- (f) "Combustibles" means any substances or articles that are capable of undergoing combustion or catching fire, or that are flammable, if retained.
- (g) "Dangerous drugs" means any controlled substances as defined in Chapter 2 (commencing with Section 11053) of Division 10 of the Health and Safety Code.
- (h) "Deadly weapon" means and includes any instrument or weapon of the kind commonly known as a blackjack, slungshot, billy, sandclub, sandbag, metal knuckles, dirk, dagger, pistol, or revolver, or any other firearm, any knife having a blade longer than five inches, any razor with an unguarded blade, and any metal pipe or bar used or intended to be used as a club.



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- (i) "Debtor" means any person obligated under a security agreement.
- (j) "Department" means the Department of Consumer Affairs.
- (k) "Director" means the Director of Consumer Affairs.
- (l) "Electronic format" includes, but is not limited to, a text message, email, or Internet posting.
- (m) "Health hazard" means any personal effects that if retained would produce an unsanitary or unhealthful condition, or which might damage other personal effects.
- (n) "Legal owner" means a person holding a security interest in any collateral that is subject to a security agreement, a lien against any collateral, or an interest in any collateral that is subject to a lease agreement.
- (o) "Licensee" means an individual, partnership, limited liability company, or corporation licensed under this chapter as a repossession agency.
- (p) "Multiple licensee" means a repossession agency holding more than one repossession license under this chapter, with one fictitious trade style and ownership, conducting repossession business from additional licensed locations other than the location shown on the original license.
- (q) "Person" includes any individual, partnership, limited liability company, or corporation.
- (r) "Personal effects" means any property that is not the property of the legal owner.
- (s) "Private building" means and includes any dwelling, outbuilding, or other enclosed structure.
- (t) "Qualified certificate holder" or "qualified manager" is a person who possesses a valid qualification certificate in accordance with the provisions of Article 5 (commencing with Section 7504) and is in active control or management of, and who is a director of, the licensee's place of business.
- (u) "Registered owner" means the individual listed in the records of the Department of Motor Vehicles, or on a conditional sales contract, or on a repossession assignment, as the registered owner.
- (v) "Registrant" means a person registered under this chapter.
- (w) "Repossession" means the locating or recovering of collateral by means of an assignment.
- (x) "Secured area" means and includes any fenced and locked area.
- (y) "Security agreement" means an obligation, pledge, mortgage, chattel mortgage, lease agreement, deposit, or lien, given by a debtor as security for payment or performance of his or her debt, by furnishing the creditor with a recourse to be used in case of failure in the principal obligation. "Security agreement" also includes a bailment where an employer-employee relationship exists or existed between the bailor and the bailee.



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(z) "Services" means any duty or labor to be rendered by one person for another.

(aa) "Violent act" means any act that results in bodily harm or injury to any party involved.

(bb) The amendments made to this section by Chapter 418 of the Statutes of 2006 shall not be deemed to exempt any person from the provisions of this chapter.

*(Amended by Stats. 2015, Ch. 740, Sec. 1. Effective January 1, 2016.)*

*The above is for references only, please refer to the sections of the Business and Professions Code for any changes that may have occurred since the publication of this document.*

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