

FEES AND EXPENSES CHARGED FOR RECOVERY OF FUGITIVES

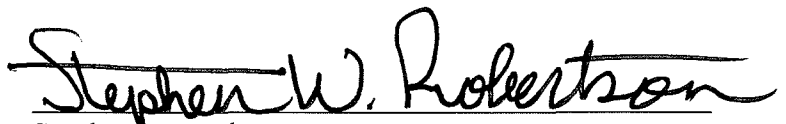
This Bulletin is directed to all bail agents and recovery agents licensed by the Department of Insurance under IC 27-10-3, as well as all bail bond agencies operating in the state. It has come to the attention of the Department that some bail agents and agencies have charged indemnitors a fee of ten percent (10%) of the face amount of the surety bail bond plus expenses for the recovery of a fugitive defendant, without mention of a ten percent (10%) recovery fee in the indemnity agreement. This Bulletin is intended to provide guidance to the bail bond industry and to consumers concerning fees charged for the recovery of fugitive defendants. For purposes of this Bulletin, an indemnitor is the person who agrees to pay the bail bond premium for the release of the defendant.

Indemnitors are already charged a non-refundable premium of ten percent (10%) of the face amount of the surety bail bond. Charging an additional fee of ten percent (10%) of the face amount of the bond for the recovery of a fugitive defendant, if not specifically provided for in the indemnity agreement, may be viewed by the Department as evidence of dishonest practices, conduct detrimental to the public interest, and/or a demonstration of lack of good faith in carrying on the bail bond business under IC 27-10-3-8(a)(5) and (7).

Expenses for the recovery of a fugitive defendant may be charged to the indemnitor if provided for in the indemnity agreement. Expenses must be reasonable and fully documented, and an itemized invoice of expenses must accompany any demand for payment presented to the indemnitor. Copies of itemized invoices of expenses for the recovery of fugitive defendants are to be kept by the bail agent of record and made available to the Department for inspection under 760 IAC 1-6.2-8. Failure to follow these guidelines may be viewed by the Department as evidence of dishonest practices, conduct detrimental to the public interest, and/or a demonstration of lack of good faith in carrying on the bail bond business under IC 27-10-3-8(a)(5) and (7).

Questions regarding this Bulletin should be directed to Robert Hummel, Managing Attorney, Bail Bond Division, at (317) 232-5063 or rhummel@idoi.in.gov.

INDIANA DEPARTMENT OF INSURANCE



Stephen W. Robertson,
Executive Director and Acting Commissioner