



## PRODUCERS & ADJUSTERS BULLETIN NO. 24

**TO:** ALL BAIL AGENT LICENSEES  
**RE:** Compliance with 18 Del. C. §§ 4347(b) and (f)  
**DATED:** November 3, 2014

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The purpose of this Bulletin is to remind all Producers holding the Bail Agent and/or Property Bail Agent line(s) of authority of the requirements of 18 Del. C. §§ 4347(b) and (f) with respect to collecting the required percentage of bail bond amounts prior to posting a bail. Pursuant to 18 Del. C. § 4347(b), it is unlawful for a bail agent to post a surety bail bond without first charging and receiving at least 5% of the surety bail bond amount. Pursuant to 18 Del. C. § 4347(f), it is unlawful for a property bail agent to post a bail without first charging and receiving at least 20% of the cash bail amount.

It has come to the Department's attention that some bail agents are accepting post-dated checks as forms of payment for purposes of posting bails. This practice is not in compliance with Chapter 43 of the Insurance Code, and those bail agents accepting post-dated checks and posting bails are directed to cease and desist from this practice. Under Sections 4347(b) and (f), a bail agent must charge and receive the amounts required by those subsections (5% of the bail amount for surety bails and 20% for cash bails) prior to posting a bail. Funds from post-dated checks are not immediately available and, therefore, the bail agent has not "received" the amount of funds required before posting a bail. In addition, it is the Department's expectation that bail agents deposit all such checks into their fiduciary accounts within 48 hours of receipt of the same to avoid any appearance of non-compliance with the law. Any violations of these provisions will be investigated and may result in the imposition of a fine or the suspension or revocation of the bail agent's license.

This bulletin shall be effective immediately and shall remain in effect unless withdrawn or superseded by subsequent law, regulation or bulletin.



**Karen Weldin Stewart, CIR-ML**  
**Insurance Commissioner**