

CONNECTICUT BAIL BOND FACT SHEET

1. You must collect a minimum of 35% of the premium up front when bond is written.
2. You must give a pre-numbered receipt which clearly shows the premium charged, the premium collected and the balance due.
3. You must put the premium into a premium trust account daily.
4. You must have signed a promissory note for the balance of the premium owed.
5. You must have a signed retail contract for the premium owed.
6. You must collect the balance of the premium owed in 15 months
7. You must begin suing for the balance of the premium owed if amount due is over 60 days old.
8. You must send in a report to the DOI by the 10th of each month. (Bail Bond Certification, form on state website)
9. You must ensure that a forfeiture is handled timely. If a forfeiture is not resolved when due the bail agent and the surety and all other bail agents from the surety are shut off from writing new liability.

SUGGESTED OPERATING PROCEDURES

1. You attempt to collect at least 50% of the premium up front when bond is written.
2. You give a pre-numbered receipt which clearly shows the premium charged, the premium collected and the balance due.
3. You deposit the premium collected into a premium trust account daily.
4. You have signed a promissory note for the balance of the premium owed.
5. You have signed a retail contract for the balance of the premium owed.
6. You collect the balance of the premium owed in 6 months.
7. Any account past due a minimum of 30 days you turn over to collections.
8. Do not charge interest because if this is not calculated correctly it can get you into trouble.
9. If a late fee is charged keep it consistent.

In addition:

- Daily you calculate what premium and buf is due and you move the difference to your operating account. (Leaving in the trust account the money you owe for premium and buf)
- When you report, you send in with your report the company copy of the premium receipt.
- You verify credit score of your indemnitors that owe you premium.
- You verify address and employment of the indemnitors that owe you premium.
- You ensure that all forms are filled out and signed.
- You create a log form in each defendant file that you are owed premium where you document the premium collected and the date it was paid.
- You keep the files where premium dollars are owed in a different file cabinet than the files where the premium is paid in full.
- When the premium is paid in full you mark “paid” on the promissory note and return the original (keeping a copy in the defendant file) to the indemnitor with a letter thanking them for paying the premium off as promised. (good marketing)

“The perfect defendants file”

- Inside the manila folder on the left is the premium paid log.
- On the right side flipping through you have:
 1. The premium receipt.
 2. The promissory note for premium
 3. The retail contract for premium.
 4. The application.
 5. The credit report of the indemnitors
 6. The copy of the indemnitors pay stub
 7. The copy of the indemnitors electric bill showing current address.
 8. The privacy disclosure
 9. The collateral

Why is the above standard operating procedure necessary?

- It keeps you in compliance with Connecticut law.
- It allows you to work smart by thinking about how much premium you need to collect up front to keep your doors open in the future.

- It gives you the ability to collect the entire premium you are owed.
- It allows for a fast audit from the surety twice a year.

I hope that the above information is useful to you in running a successful bail bond office. The caveat I left out was that you need to make arrangements with a collection attorney to collect your past due premium. When you make that connection with the attorney have him review the contract and the promissory note to ensure that the forms are correct and can be effective in collecting your money in your county.

I suggest if your retail operation is sizable that you spend the money to have Captira as your software program for helping you manage your business. Captira has a great accounts receivable package that will assist you in your collections.

Why do I have to do this when my competitors will violate the laws with regard to the premium collected up front and the no solicitation law?

The answer to this is simple, because you want to be in business tomorrow. The DOI will conduct independent audits. If a surety is not complying with the law and not monitoring their bail agents the bail agent will lose their license. Your job is to worry about yourself and staying in business.

Thank you.