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BULLETIN NO. 17-09

Date: September 21, 2017
To: All Companies that Offer Bail Bonds
Re: Bail Bond Installment Contract

The purpose of this Bulletin is to advise companies offering bail bonds to consumers that the Insurance Commissioner has adopted a standardized form for bail bond agreements in which a premium is charged for payments made in installments.

The Insurance Commissioner adopted the standardized form as required by Senate Bill 459, entitled "Bail Bond – Installment Contract – Form and Confessed Judgment Prohibition", which takes effect on October 1, 2017. The legislation extends protection to consumers by prohibiting confessed judgment clauses. A confessed judgment clause waives a consumer's right to assert a defense to enforcement of the agreement. Moreover, the form contains a Notice to Consumers providing their rights and responsibilities, including:

- (1) A notice advising consumers that they may be liable for reasonable attorney's fees and costs if enforcement of the installment agreement is litigated in court.
- (2) A notice advising consumers that the installment agreement remains in effect until all payments have been paid in full; and
- (3) A notice advising consumers that bail bond installment contracts are regulated by the Maryland Insurance Administration.

A copy of the form will be available on the MIA website at <http://www.insurance.maryland.gov>.

Please direct any questions concerning this Bulletin to Erica J. Bailey, Associate Commissioner, Compliance and Enforcement at 410-468-2113 or erica.bailey@maryland.gov.

AL REDMER, JR.
Commissioner

signature on original

By: Erica J. Bailey
Associate Commissioner
Compliance & Enforcement

Installment Agreement for Unpaid Premium

I (we), the undersigned person(s), jointly and severally (together and separately), promise to pay to the order of: _____ (Bail Bondsman) the principal sum of _____ Dollars (\$ _____) owed for the bail bond of: _____ ("Defendant") in Criminal Case No. _____ in the District/Circuit Court of _____ City/County, Maryland at the address shown below in the Bail Producer Name and Agency Box according to the following payment plan, which consists of a total of _____ installment payments. Payments in the amount of \$ _____ shall be paid:

Weekly Bi-Weekly Monthly

Payments shall continue until the balance due is paid in full. The first payment is due on: _____ and the last payment is due on: _____.

1. This installment agreement does not include a confessed judgment clause that waives a consumer's right to assert a legal defense to an action under this installment agreement.
2. This installment agreement continues in force until all payments have been paid in full.
3. This one page installment agreement represents the **entire agreement**. Any changes or modifications to this installment agreement must be in writing and signed by both parties.

I (we) agree to all terms and conditions of this agreement and acknowledge receipt of a copy of this agreement and a receipt showing the amount of the down payment made.

Bail Bondsman Producer

Person(s) Agreeing to Pay:

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Date: _____

Date: _____

Producer License #: _____

Signature: _____

Print Name: _____

Date: _____

NOTICE TO CONSUMERS

This installment agreement continues in force until all payments have been paid in full. This means that YOU MUST CONTINUE TO PAY THE FULL BALANCE OWED even if the Defendant is arrested again and taken into custody on this matter or any other criminal matter, or the case is decided before you have finished paying the total balance due, or the case is dismissed, or the Defendant does not show up for court.

Bail bond installment contracts are regulated by the Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202. Phone: 410-468-2000/ 1-800-492-6116 (toll free)/ 1-800-735-2258 (TTY) www.insurance.maryland.gov.

BAIL BONDSMAN NAME AND AGENCYNAME

[Include: name, address, phone number(s), and license number(s) for both bail bondsman and agency.]