

11 NCAC 13 .0512 COLLATERAL SECURITY REQUIRED BY BONDSMEN

- (a) The collateral security required by bail bondsmen shall be reasonable in relation to the amount of the bond in that any collateral security (including personal property, real property, indemnity agreement and guarantee) received by such licensee shall not, in the aggregate, exceed the amount of the bond.
- (b) Any collateral security shall be returned to the person who deposited it with the bail bondsman immediately after the obligation, the satisfaction of which was secured by the collateral, is discharged.
- (c) Any bail bondsman or runner who receives collateral security shall hold such collateral security in trust. No indemnity agreement or other security received as collateral security for a bond shall contain any provision whereby any liability or obligation under such agreement extends beyond the termination of liability under the bond.
- (d) If the bondsman's liability is reduced at any time and for any reason, the collateral security and all obligations under collateral indemnity agreements or guarantees shall be reduced to the same extent that the liability under the bond was reduced, and any excess thereof shall be immediately returned to the depositor of the security.
- (e) No indemnity agreement or other security agreement taken as collateral for bonds shall include any provision for the payment of interest or other additional fees or charges.
- (f) All persons who sign any type of indemnity agreement or other type of security agreement to be used as collateral shall be furnished by the bondsman or runner with a copy of such agreement.
- (g) The provisions of this Section relating to indemnity agreements or other security agreements apply to all such agreements whether set forth on the face of the bond or contained in a separate agreement.
- (h) All indemnity agreements or other security agreements shall be considered as collateral security and shall be listed and described on the form provided by the Administrative Office of the Courts (Form AOC-CR-201 or its successor) entitled "Appearance Bond for Pretrial Release."
- (i) Upon any modification or alteration of the collateral security, the bondsman shall comply with the provisions of 11 North Carolina Administrative Code 13 .0513.
- (j) All agreements and contracts with defendants or anyone on behalf of the defendant, shall have a form number and the license number of the bail bondsman printed thereon and shall be submitted to the Department for approval according to the standards in these Rules. No such agreements or contracts shall be used by the licensee until written approval has been given by the Department.

History Note: Authority G.S. 58-2-40; 58-71-5(a); 58-71-95; 58-71-100;
Eff. August 1, 1976;
Readopted Eff. January 1, 1978;
Amended Eff. March 1, 2011; October 1, 2010; September 14, 1978;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. June 25, 2016.