

# THE NORTH CAROLINA BAIL AGENT ASSOCIATION PRE-LICENSING QUICK STUDY GUIDE



Bail bondsmen are licensed and regulated by the  
**North Carolina Dept. of Insurance**  
under **Chapter 58 Article 71 of the NC General Statutes.**

Pages 2-6 of this study guide is a general overview of bail bonding in NC.  
Some topics are only mentioned but will be discussed in class

There are 194 study questions with answers starting on page 7.  
The study questions shows a lot of what will be covered in class.

The NCBAA PLE class test consists of 100 “multiple choice” questions.  
The 100 questions for the class test are taken from the 194 questions

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# THREE AREAS OF BAIL BOND LAW

Chapter 15A Article 26 - Chapter 58, Article 71 - NC Administrative Code



## WHO LICENSES AND REGULATES BONDSMEN

The **NC DEPARTMENT OF INSURANCE** under authority of the **COMMISSIONER OF INSURANCE**.



## PERSONS PROHIBITED FROM BEING LICENSED BONDSMEN

Sheriff, deputy sheriff, other law-enforcement officer, judicial official, attorney, parole officer, probation officer, jailer, assistant jailer, employee of the General Court of Justice, nor other public employee assigned to duties relating to the administration of criminal justice, nor the spouse of such person,

## QUALIFICATIONS FOR BAIL BONDSMEN AND RUNNERS



- (1) Be 21 years of age or over.
- (1a) Have obtained a high school diploma or equivalent.
- (2) Be a resident of this State.
- (3) Repealed (explained in class)
- (4) Have knowledge, training, experience to fulfill the responsibilities of a licensee.
- (5) No outstanding bail bond obligations. (*unpaid forfeitures, fines, or penalties*)
- (6) No current or prior violations of Chapter 58 - 71 or 15A - 26 or similar law of other states.
- (7) Not disqualified under laws of this State or any other state
- (8) Hold valid and current NC drivers license or valid NC ID card issued by NCDMV
- (9) Be a legal resident or documented citizen of the USA.



### **CONVICTION**

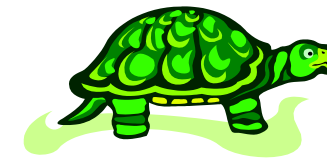
The Commissioner shall deny application for a license for a conviction of any felony or conviction of a misdemeanor drug violation within 24 month of applying for the application

## PROOF OF RESIDENCY IN NORTH CAROLINA

At least two documents showing the applicant's address in NC. The permissible documents are:

- (1) Pay stub.
- (2) Utility bill.
- (3) A lease contract signed by the applicant.
- (4) Receipt for personal property taxes.
- (5) Receipt for real property taxes.
- (6) Account statement from a bank/ financial institution.

## 90 DAYS/ ONE YEAR STIPULATION



If your application is denied, you must wait one year before reapplying for any bail bond license.

If you fail the state exam, you can re-test within 90 days upon payment of the examination fee.

If you fail the state exam re-test, you must wait one year to re-test.

## GENERAL DEFINITIONS

### What is a Bail Bond?

**Bail bond** is divided into two parts.

**Bail** is the security required (\$ *monetary amount*) for the release of a person from jail.

**Bond** is posting the bail (\$) by signing the bail bond and being obligated for the amount of the bail (\$).

### What is the purpose and consequences of a bail bond?

The **PURPOSE** of a bail bond is to assure the appearance of a defendant in court.

The **CONSEQUENCES** of a bail bond, the result a defendant's failure to appear in court, are:

1. "Forfeiture," forfeit or pay the amount of bail that was posted.
2. "Order for arrest" for the defendant with an increased amount of the previous bail.

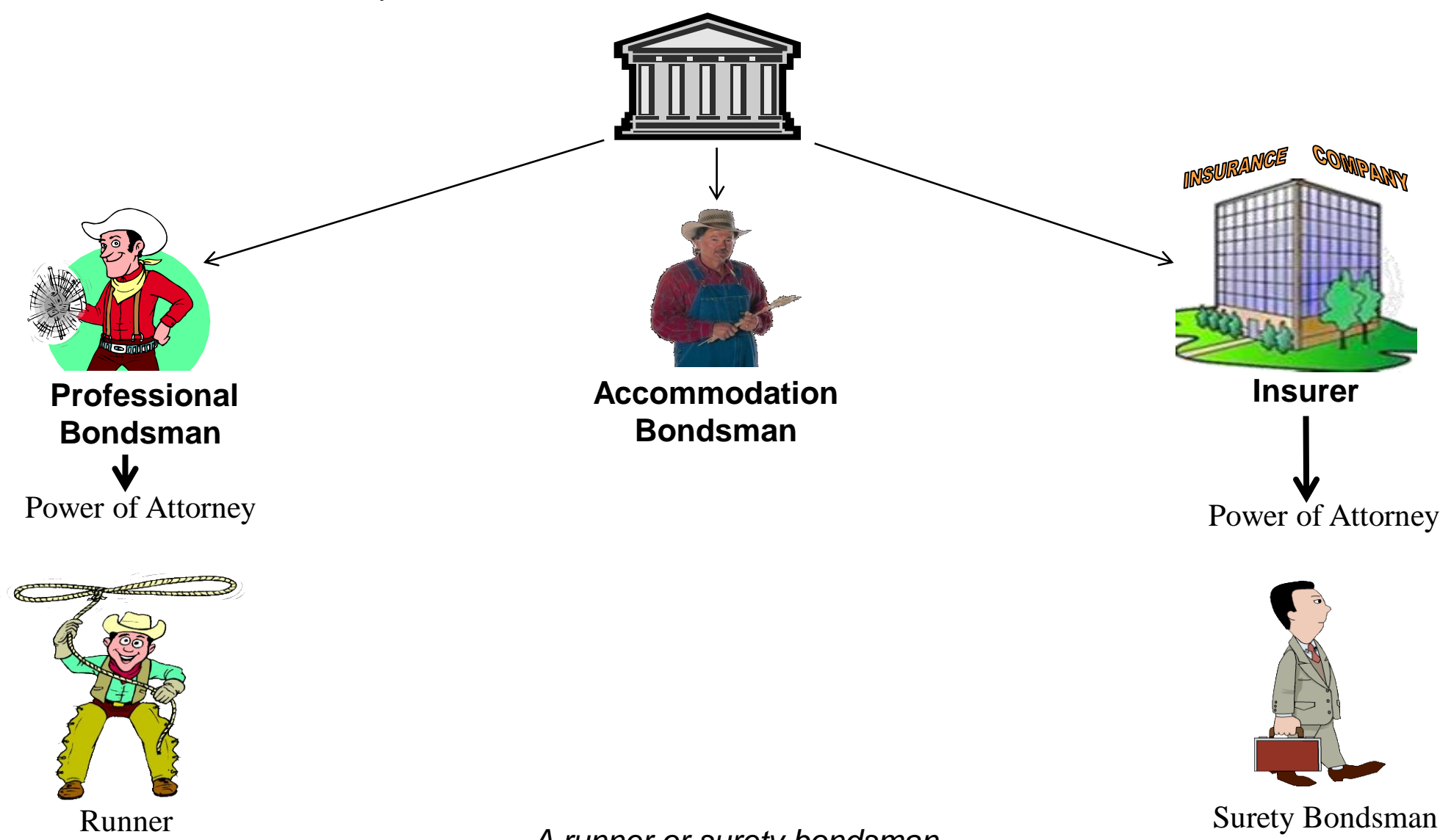
### What is a Bail Bondsman

A bail bondsman is **any** person who posts bail for the release of a person from jail.

**DEFINITIONS YOU WILL NEED TO KNOW**

- (1) **Accommodation bondsman** A person who is not licensed as a bondsman but puts up cash or uses the value of his property to stand for the amount of the bail bond but cannot charge a fee for posting the bond.
- (2) **"Bail bond"**- An undertaking (bond) signed by the defendant and bondsman for the defendant's appearance in court or pay the amount of the bond. Bail bonds may be posted by putting up the total amount in cash, lien on property, or by a licensed bail bondsman.
- (3) **"Bail bondsman"**- A surety bondsman, professional bondsman or an accommodation bondsman.
- (4) **"Commissioner"**- The North Carolina Commissioner of Insurance.
- (4a) **"First-year licensee"**- Any person who has been licensed as a bail bondsman or runner less than 12 months
- (5) **"Insurer"**- An insurance company doing bail bond business in NC.
- (6) **"Obligor"**- Those obligated under a bail bond, the defendant and surety (bondsman or insurance co.)
- (7) **"Principal"**- A defendant or witness who is under a bail bond and required to appear in court.
- (8) **"Professional bondsman"**- A licensed bondsman who has a security deposit with the Dept. of Insurance.
- (8a) **"Resident"**- A person who lives in NC for at least six consecutive months before applying for a license.
- (9) **"Runner"**- A person licensed by DOI and works for a professional bail bondsman by a power of attorney.
- (9a) **"Supervising bail bondsman"**- A professional or surety bondsman licensed 2 years and supervises a new licensee.
- (10) **"Surety"**- A bondsman or insurance company liable for the amount of the bail bond.  
(the three sureties, are: the professional bondsman, accommodation bondsman and insurer (insurance company)).
- (11) **"Surety bondsman"**- A person licensed by DOI and works for an insurer by a power of attorney

**A Bond is a civil contract between the State and the Surety**  
 The **surety** is ultimately responsible for paying the bail bond.  
 Sureties are the professional bondsman, accommodation bondsman and insurer.



A runner works for a prof. bondsman by power of attorney  
 The prof. bondsman is the surety responsible for bonds signed by himself or his runner.

*A runner or surety bondsman may contract with the surety to pay the bond, but, the surety is ultimately responsible to the court for payment of the bond.*

A surety bondsman works for an insurer by power of attorney  
 The insurer is the surety responsible for bonds signed by the surety bondsman

Below is a simple flowchart of a defendant's arrest and appearance in court.

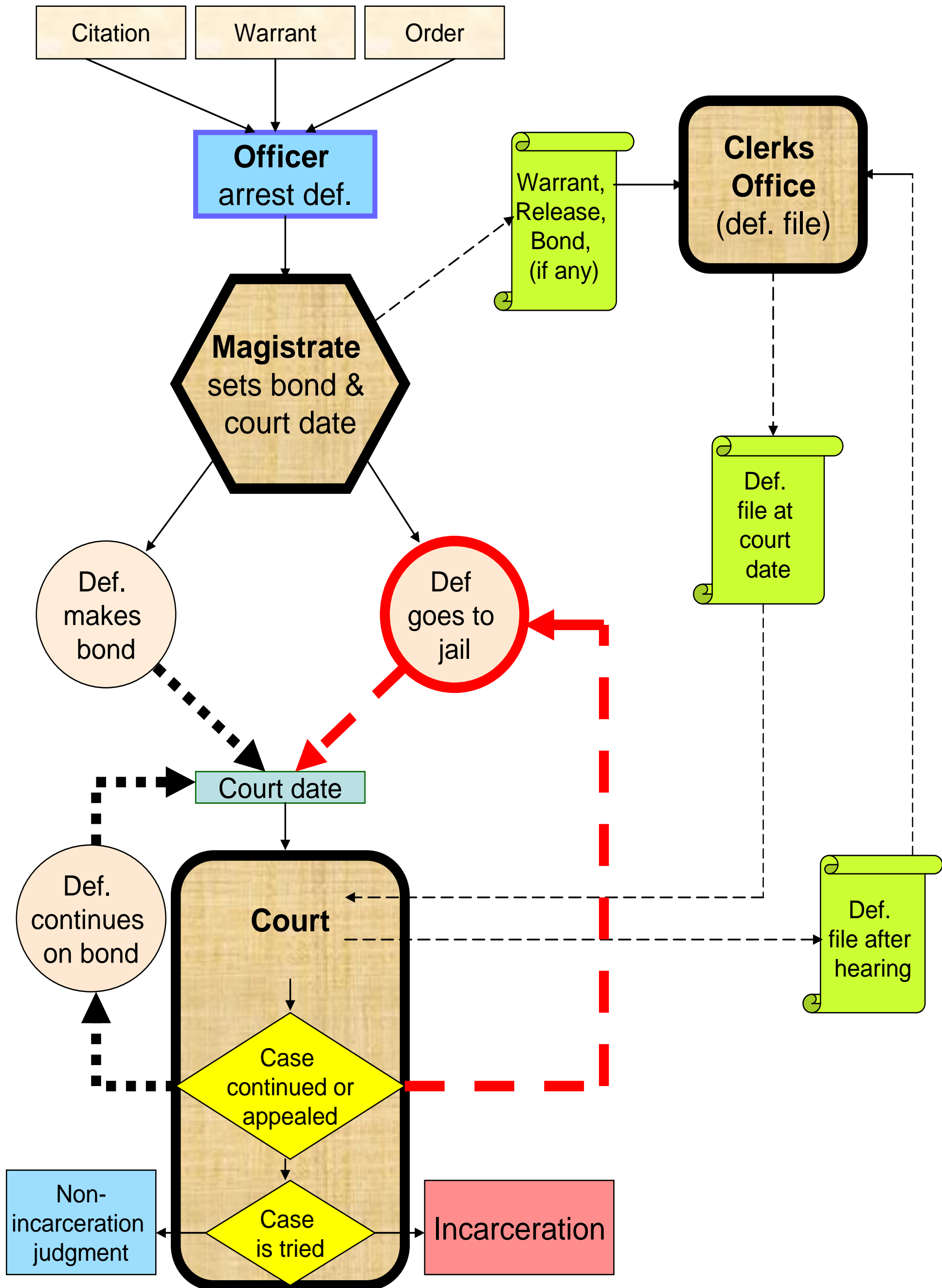
The defendant is arrested on a citation, warrant for arrest, or order for arrest from the court

The defendant is taken to the magistrate who will set the conditions of release.

If the defendant makes bond he is to appear at his court dates until disposition of the case.

If the defendant doesn't make bond the jail make's him available to the court as required.

All the paperwork on the defendant is filed at the clerks office and taken to court as required.





## **BAIL BOND**

Posting the bail and filling out the appearance bonds (bail bonds) will be explained in class in detail with exercises.

### **PREMIUM / RECEIPT FOR PREMIUM PAYMENTS**

The maximum premium that can be charged for posting a bail bond is 15% of the bond amount.

A receipt shall be given to the person making the premium payment. Copies of all receipts shall be kept by the bail bondsman.

### **MEMORANDUM OF AGREEMENT**

When a bond is signed on credit or partial credit with premium to be paid at a later date, the bondsman **shall** fill out a contact called a memorandum of agreement showing the date and amount for the premium payment(s)..

### **BAIL BOND COLLATERAL**

Collateral is something of value the bondsman may require in addition to the maximum 15% bond premium.

The purpose of collateral is to protect the bondsman from loss in the event of forfeiture.

A bondsman can take up to 100% of the bond as collateral.

The types of collateral are: Money or other negotiable instrument.

*(Cash collateral must be put in a non-interest trust account)*

Personal property, cars, etc. (something moveable)

Real property, houses, buildings or land (unmovable)

Indemnity Agreements, a civil contract, basically a promissory note.

*(Property collateral must be returned in same condition as received)*

A bail bondsman shall give a written receipt showing the value and description of collateral taken.

*\*The only two things of value a bondsman may receive for signing a bail bond is premium and collateral..*

### **IF THE PRINCIPAL FAILS TO APPEAR IN COURT**

#### **“BOND FORFEITURE NOTICE” and “MOTION TO SET ASIDE FORFEITURE”**

If a defendant fails to appear in court, the court will issue a Bond Forfeiture Notice which will be sent to the defendant's address of record and to the surety and the bondsman who signed the bond.

On the back of the Bond Forfeiture Notice are nine reasons that allows the bondsman to make a “motion” to the court to have the Bond Forfeiture set aside so the bond does not have to be paid.

The forfeiture process, filling out motions, and filing motions will be explained in detail.

The surety has 150 days from notice of forfeiture to meet one of the nine reasons and serve the motion. \*Only one motion is allowed.  
*\*(one exception explained in class)*

### **ARREST & SURRENDER**

#### **UNITED STATES SUPREME COURT**

(TAYLOR VS. TAINTOR, 16 WALL, 366)

When bail is given, the principal is regarded as delivered to the custody of his sureties. Their dominion is a continuance of the original imprisonment. Whenever they choose to do so, they may seize him and deliver him up in their discharge; and if that cannot be done at once, they may imprison him until it can be done. They may exercise their right in person or by agent. They may pursue him into another state; may arrest him on the Sabbath; and, if necessary, may break and enter his house for that purpose. The seizure is not made by virtue of new process. None is needed. It is likened to the rearrest by the sheriff of an escaping prisoner.

In addition to the US case law above, NC laws allowing the surety to arrest the defendant will be discussed in class, also, when a bondsman can arrest and surrender the defendant to the jail without returning the premium, where the bondsman can surrender the defendant, and the procedure for surrendering the defendant to the jail.

Bondsmen are now authorized to carry and display the official bondsman's shield.

## **BAIL BOND LICENSE**

No person shall act in the capacity of a professional bondsman, surety bondsman, or runner unless that person is qualified and licensed by the Dept. of Insurance and no license shall be issued except to an individual natural person.

### **First-year licensees**

A 1<sup>st</sup> year licensee has the same authority as other bondsmen but cannot be a supervising bondsman for two years.

A first-year licensee shall operate from the official business address of a licensed supervising bail bondsman for the first 12 months.

A first-year licensee may only be employed by or contract with one supervising bail bondsman.

A first-year licensee must complete 12 months of supervision, at least six of which shall be uninterrupted under one supervising bail bondsman..

If no administrative or criminal action is taken against a 1<sup>st</sup> year licensee whose contract was terminated, the supervision time will be credited toward the 12 months required.

### **Picture identification license card**

DOI shall issue a license picture identification card which must be carried at all times when doing bail bond business.

If the bondsman's license is suspended or terminated he shall surrender the identification card to the Commissioner within 10 working days after the termination.

### **Terms of licenses.**

A license issued to a bail bondsman or to a runner shall continue in force until the license is suspended or revoked.

### **Renewal of license**

Licenses are renewed July 1<sup>st</sup> of each even numbered biennial year (every 2 years), in which the bondsman must: **(1)** complete a modified application and **(2)** pay the license renewal fee,

In every other even biennial year (every 4 years), in addition to the above, the bondsman must provide **(3)** a complete set of fingerprints and **(4)** pay a fee to cover the cost of the criminal history record check.

Bondsmen and runners shall provide all of the above 30 days prior to expiration date of license.

### **License renewal fees**

\$120 dollars renewal fee for a runner's license, \$200 renewal fee for bondsmen.

### **License requirement of continuing education**

All bondsmen and runners must complete 3 hours of continuing education annually to keep their license in force.

### **Failing to comply with continuing education requirement**

The license of any person who fails to comply with the continuing education requirements *must begin the entire process over again.*

## **DUEL LICENSE HOLDING**

A person may hold a professional bondsman's license, runner's license, and surety bondsman's license simultaneously, separate renewal fees must be paid for each license.

## **PROHIBITED PRACTICES**

### **GROUND FOR DENIAL, SUSPENSION, PROBATION, REVOCATION OR NONRENEWAL OF LICENSE.**

The class will cover all of the above which could result in fines, suspension and/or loss of license, and which could also result in additional misdemeanor or felony charges

## **KEEP BAIL BOND RECORDS ORGANIZED**

**Records to be maintained.** All records related to bail bonds shall be kept separate from records of any other business and must be maintained for not less than three years after the final entry has been made.

### **Examinations/Audit.**

A DOI investigator may visit a professional bail bondsman, surety bondsman, or runner's place of business to audit his/her bail bond records. The person making the examination shall have free access to all records of the licensee that relate to the licensee's business and to the records kept by any of the licensee's agents.

## PART 1

1. What are the 3 areas of bail bond law?  
Chapter 15A Article 26  
Chapter 58 Article 71  
N.C. Administrative Code
2. If there is conflict between the areas of bail bond law, what is the order of authority?  
Chapter 15A Article 26  
Chapter 58 Article 71  
N.C. Administrative Code
3. What North Carolina agency is in charge of regulating bail bondsmen and runners?  
North Carolina Department of Insurance
4. What official is the elected head of the North Carolina Department of Insurance?  
Commissioner of Insurance
5. Who is the North Carolina Commissioner of Insurance?  
Mike Causey
6. What persons are prohibited from becoming licensed as bail bondsmen or runners?  
Sheriff  
Deputy sheriff  
Law enforcement officer  
Attorney  
Parole office  
Probation officer  
Jailer  
Assistant jailer  
Employee of the General Courts of Justice  
Other public employee assigned to the administration of criminal justice  
Nor the spouse of such person
7. What are the two restrictions for persons prohibited from becoming bail bondsmen or runners?  
Shall not act as an agent for any bail bond company or bail bondsman  
Shall not have any financial interest, directly or indirectly, in any bail bond business.
8. What are the general qualifications for bail bondsmen and runners?  
Be 21 years of age or older  
High school diploma or GED  
Be a resident of this State (NC)  
Have knowledge, training, or experience of sufficient duration and extent to provide the competence necessary to fulfill the responsibilities of a licensee  
Have no outstanding bail bond obligations  
Have no current or prior violations of any provision of Chapter 58 Article 71 or Chapter 15A Article 26 or any similar provision of law of any other state  
Not in any manner disqualified under the laws of this State or any other state to engage in the bail bond business  
Hold valid and current N.C. drivers license or N.C. identification card issued by the Div. of Motor Vehicles  
Be a legal resident or a documented citizen of the USA.
9. What "proof of residency" documentation is required showing NC residential address?  
Pay stub  
Utility bill  
Written lease agreement / contract for purchase  
Receipt for person property taxes  
Receipt for real property taxes  
Monthly or quarterly statement from a financial institution
10. How many documents must an applicant provide to show proof of residency?  
At least two
11. For what two offenses shall the Commissioner deny an application or revoke a license?  
Conviction of a felony  
Conviction of a misdemeanor drug offense
12. If application is denied or exam is failed, how long must you wait to reapply for re-test?  
1. Application/ One year, 2. Exam/ re-test in 90 days, 3. Fail to pass exam re-test/ One year

13. Bail bond is divided into two parts. What does "bail" and "bond" mean?  
 Bail is the security required for the release of a defendant  
 Bond is the obligation assumed by the one who posts bail
14. What is the purpose of a bail bond?  
 To assure the appearance of the defendant in court
15. What are the consequences of a bail bond?  
 Forfeiture of bail  
 Order for arrest
16. What is the definition of an accommodation bondsman?  
 A person who:  
 Shall not charge a fee (money) for posting a bond  
 Shall not receive any consideration (money or anything of value) to keep for personal use as condition of posting a bond.  
 Must show proof that property will cover the amount of the bond  
 May require collateral  
 Is not licensed
17. In what ways can an accommodation bondsman post bonds?  
 Cash  
 (Real) Property
18. What is the definition of a bail bond?  
 An undertaking by the principal to appear in court upon penalty of forfeiting bail
19. What are the types of bail bond listed under the bail bond definition?  
 Unsecured  
 Premium secured  
 Cash deposit  
 Mortgage
20. What can a bail bond be used for other than the release of a person from jail?  
 Release of a motor vehicle from impoundment
21. What is the definition of a bail bondsman?  
 Surety bondsman  
 Professional bondsman  
 Accommodation bondsman
22. What is the definition of Commissioner?  
 The North Carolina Commissioner of Insurance
23. What is the definition of a first year licensee?  
 Any person licensed as a bondsman or runner for a period of less than 12 months
24. What is the definition of insurer?  
 Any domestic, foreign, or alien surety company qualified generally to transact surety business and specifically to transact bail bond business in this State
25. What is the definition of an obligor?  
 A principal or surety on a bond
26. What is the definition of a principal?  
 A defendant or witness obligated to appear in court upon penalty of forfeiting bail under a bail bond
27. What is the definition of a professional bondsman?  
 Any person licensed by the Commissioner and who  
 Pledges cash or other securities with the Commissioner as security for bail bonds and  
 Receives or is promised money or other things of value for writing bail bonds
28. What is the definition of a resident?  
 A person who lives in this State for Six consecutive months  
 immediately before Applying for a bail bond license



29. What is the definition of a runner?  
 A person employed by a professional bail bondsman for the purpose of:  
 Assisting the bail bondsman in presenting the defendant in court when required, or to  
 Assist in the apprehension and surrender of the defendant to the court, or  
 Keeping the defendant under necessary surveillance, or to  
 Execute bail bonds on behalf of the licensed professional bondsman
30. What is needed for the Runner to assist the Professional Bondsman?  
 Power of Attorney
31. What is the definition of a supervising bondsman?  
 A professional bondsman or surety bondsman  
 Who employs or contracts with a new licensee
32. What is the definition of a surety?  
 One who with the principal is  
 Liable for the amount of the bail bond upon forfeiture
33. What is the definition of a surety bondsman?  
 A person licensed as a surety bondsman and  
 Is appointed by an insurer by a power of attorney to execute bail bonds and  
 Receives or is promised consideration for doing so
34. What are two main differences between an accommodation bondsman and other bondsmen?  
 Accommodation bondsman is not licensed  
 Accommodation bondsman cannot charge fee or receive consideration for posting a bond
35. What are the main differences between a professional and surety bondsman?  
 A professional bondsman is a surety, having a security deposit with the Commissioner  
 A surety bondsman works for a surety, an insurance company (insurer)
36. What bail bond licenses are issued by DOI?  
 Professional bondsman license  
 Surety bondsman license  
 Runner license
37. What are the three types of sureties?  
 Professional bondsman  
 Accommodation bondsman  
 Insurer (insurance company)
38. Who can supervise a first year licensee applying for a runner's license?  
 A professional bondsman
39. Who can supervise a first year licensee applying for a surety bondsman's license?  
 A surety bondsman

## PART 2

40. Before a bond can be posted, how shall the surety be qualified?  
 As a professional bondsman or  
 As an accommodation bondsman or  
 As an insurer represented by a surety bondsman
41. When a person is arrested, what form shows the charge, time and location to appear in court?  
 Release Order
42. What form is information, on the "release order," transferred to for release of a defendant?  
 The Appearance Bond
43. What is the required "identifying information" on a bond?  
 Name and mailing address of defendant  
 Name and mailing address of accommodation bondsman  
 Name and license number of the professional bondsman  
 Name and license of the runner  
 Name of the insurer (insurance company)  
 Name, license number and power of appointment number of the surety bondsman
44. What three things shown on a bail bond make it binding?  
 Before what magistrate or at what court the principal was bound to appear  
 The official before whom bail was entered was legally authorized to take it  
 The amount of bail is stated

45. After filling out the front of the bond, what must a bondsman do to complete the bond?  
 Fill out the affidavit on the back of the appearance bond  
 Attach professional bondsman's certification seal or surety bondsman's qualifying power
46. What does the bond affidavit provides information on?  
 Premium  
 Collateral
47. Who is required to fill out the bond affidavit?  
 Professional bondsmen  
 Surety bondsmen  
 Runners
48. What is the bail bond premium?  
 The fee you charge for posting a bond
49. What is the maximum bail bond premium that can be charged?  
 15% of the face amount of the bond
50. Can a bondsman sign a bond for less than 15%?  
 Yes, he can do it for free
51. If something other than money is taken as premium, what 's the requirement for the value?  
 The value of the item must be reasonable in relation to the premium charged for the bond
52. If a premium is received or promised, where is the amount of the premium to be listed?  
 The affidavit on the back of the appearance bond
53. What must be given for any premium received?  
 Receipt
54. A receipt must be given for any premium received, what are the 7 requirements for a receipt?  
 Pre-numbered by a printer,  
 Used and filed in consecutive numerical order  
 Show name and address of the bail bondsman  
 Show the amount and date paid  
 Show the name of the person accepting the payment  
 Show the total amount of the bond for which the fee is being charged  
 Show the defendant's name
55. If a bond is written on credit or partial credit, what form must be filled out?  
 Memorandum of Agreement
56. What are the 6 requirements concerning a memorandum of agreement  
 Show the amount of premium not paid  
 Show the method and schedule of payments  
 The dates and amounts to be paid  
 Provide a copy of the agreement to the principal upon request  
 Agreement to be signed and dated by the bondsman or runner and the principal  
 Modifications to be in writing, signed, dated, kept on file with copy to principal upon request
57. What are the only two things of value a bondsman can accept for posting a bond?  
 Premium  
 Collateral
58. What is collateral?  
 Something of value to indemnity or protect the bondsman in the event of forfeiture
59. What are the types of collateral?  
 Money or other negotiable instrument  
 Personal property  
 Real property  
 Indemnity agreement
60. How much collateral is a bondsman allowed to take for posting a bond?  
 Up to 100% of the amount of the bond
61. If collateral is taken, where is the information about the collateral listed?  
 The affidavit on the back of the appearance bond

62. If collateral is taken, what three things are to be recorded on the bond affidavit?  
Name of the person from whom the collateral was received  
Nature of the collateral  
Value of the collateral
63. Is a bondsman required to provide a receipt for collateral received on a bond?  
Yes
64. If collateral is taken, what is required on the receipt?  
Full description and value of the collateral
65. What is a collateral trust account?  
A bank account for cash collateral received on bail bonds
66. What are requirements for cash, check, or other negotiable instruments as collateral?  
It must be held in a trust account in a North Carolina bank  
It must be held in a non-interest bearing trust account  
It must be held separate from any other personal or business account  
The trust account is for funds collected as collateral on bail bonds only  
The trust account funds cannot be commingled with any other funds  
The collateral must be deposited in the trust account within 2 banking days after receipt
67. When may bondsmen share a trust account?  
With the approval of the Commissioner and  
When bail bondsmen are working out of the same business office or location
68. What is the requirement for holding collateral such as personal or real property?  
It must be maintained and returned in the condition in which it was received
69. What must a bondsman do with collateral if bail is reduced after the bond was posted?  
Collateral must be reduced to the value of the reduced liability and any excess returned  
Execute written amendment to bond affidavit with details of the modification of collateral  
Furnish the principal and indemnitor a copy of amendment  
Keep copy of amendment on file in office of the bondsman
70. If bail is reduced after the bond is posted, do you have to return any of the premium?  
NO
71. When must collateral be returned?  
Within 15 days after final termination of liability on the bond
72. What is the requirement of returning collateral other than cash?  
It must be returned in the same condition as received by the bondsman
73. What will a bondsman be guilty of for failing to return collateral that exceeds \$1,500?  
Class I felony
74. Can a bondsman keep collateral for unpaid premiums or other expenses on a bond?  
NO. Never !!!!!
75. What are the only two things a bondsman can do with collateral?  
Pay the bond or Give it back
76. What is required to be printed on agreements and contracts used by the bondsman?  
A form number and License number of the bondsman
77. What must a bondsman have before using any agreement or contract ?  
Approval of DOI
78. What is the first rule in filling out the defendant's information card?  
You can never get too much information

### PART 3

79. What happens to all fines and forfeitures paid in court cases?  
They go to support the free public schools of this State
80. What kind of contract is a bail bond?  
A civil contract
81. Who are the parties of a bail bond contract?  
a. Principal  
b. Surety  
c. State
82. Who represents the county board of education at forfeiture hearings?  
The school board attorney (SBA)
83. What are the five dates listed on the front of a bond forfeiture notice?  
Date of bond  
Date of failure to appear  
Date issued  
Final judgment date  
Date notice given
84. What is the time span between the “date notice given” and the “final judgment date?”  
150 days
85. How many reasons does the statute allow to set aside forfeiture?  
Nine (9)
86. Where is the “Motion to Set Forfeiture Aside” located?  
On the back of the bond forfeiture notice
87. What are the nine reasons to have a forfeiture set aside?  
1. Defendant’s failure to appear has been set aside and the order for arrest recalled  
2. Charges defendant was bonded for are disposed other than dismissal with leave  
3. Defendant has been surrendered by the surety  
4. Defendant has been served with an order for arrest for the failure to appear  
5. Defendant died before the final judgment date  
6. Defendant was incarcerated in the NCDOC and serving a sentence or in Federal Bureau of Prisons located in NC at the time of failure to appear  
7. Defendant was incarcerated in a local, state, or federal detention center, jail, or prison located anywhere in the U.S. at the time of the failure to appear or anytime between the failure to appear and the final judgment date.  
8. Notice of forfeiture was not provided pursuant to 15A-544.4(e). *(Notice was not mailed within 30 days of failure to appear)*  
*(Motion to set aside must be filed within 30 days of date notice given)*  
9. The court refused to issue an order for arrest for the defendant’s failure to appear, as evidenced by a copy of an official court record, including an electronic record.
88. What five things are to be filled out when completing the “Motion to Set Aside Forfeiture?”  
Mark a block for one of the seven reasons  
Date the motion  
Sign the motion  
New address if necessary  
Mark the block designating who is signing the motion
89. After filling out the “Motion to Set Aside Forfeiture”, what else must also be filled out?  
The “Moving Party’s Certificate of Service”
90. What 4 things are filled out in the “Moving Party’s Certificate of Service?”  
Type of service (mail or personal)  
Date motion was served  
Name of person serving motion  
Signature of person serving motion
91. What is the main purpose of the “Moving Party’s Certificate of Service?”  
To show the date the “Motion to Set Aside Forfeiture” was served and filed
92. What does the bondsman do after filling out the “Motion” and “Certificate of Service?”  
Make copies, front and back, of the “Bond Forfeiture Notice” which will include the “Motion to Set Aside Forfeiture” and the “Certificate of Service.”  
Attach copies of any necessary documents to the copies of the “Bond Forfeiture Notice”

93. What does the bondsman do with copies of the “Bond Forfeiture Notice” and other attached copies?  
 Serve on the:  
 School Board Attorney (SBA)  
 District Attorney (DA)  
 Clerk of court
94. Who is allowed to fill out and serve the Motion to Set Aside Forfeiture?  
 a. Defendant  
 b. Surety  
 c. Runner  
 d. Surety Bondsman
95. After Motion to Set Aside Forfeiture is served, how long does the DA or SBA have to object ?  
 20 days
96. If there is no objection by the DA or SBA to the Motion to Set Aside Forfeiture, how long after the motion has been served will the forfeiture be set aside?  
 20 days
97. What does the DA or SBA fill out to object to Motion to Set Aside Forfeiture?  
 Objection and Notice of Hearing  
 Certificate of Service of Objection and Notice of Hearing
98. What must the DA and SBA do after filling out the “Objection” and “Certificate of Service”?  
 Serve the “Objection” and “Certificate of Service” on the moving party
99. When will a hearing be scheduled in court if the DA or SBA objects to the Motion to Set Aside Forfeiture?  
 Not more than 30 days after the objection is filed
100. Where will the hearing be scheduled in court if the DA or SBA objects to the Motion to Set Aside Forfeiture?  
 In the county where the defendant was bonded to appear
101. How many “motions to set aside forfeiture” are allowed between the “date notice given” and the “final judgment date”?  
 One, two if one of the motions applied to #8
102. How much time does a bondsman have to petition the court to remit the bond payment?  
 Three years after the judgment of the forfeiture became final
103. What are the two reasons a bondsman might get relief after final judgment?  
 Notice was not given within 30 days after the date the defendant failed to appear  
 Other extraordinary circumstances exist for which the court would allow relief
104. Within three years after final judgment, how many motions to remit the bond are allowed?  
 One
105. Why would a bondsman be required to pay a bond, even though one or more of the seven reasons to set aside the forfeiture had been met within the allowed time?  
 The defendant had failed to appear twice in the same case before the bond was signed
106. For what reasons would the court order monetary sanctions against a bondsman filing a forfeiture motion?  
 Not signing the motion  
 Not attaching required documents to the motion  
 Filing fraudulent motions or documents
107. What would the court order as sanction for not signing the forfeiture motion?  
 25% of the face amount of the bond
108. What would the court order as sanction for not attaching required documents to motion?  
 50% of the face amount of the bond
109. What would the court order as sanction for filing a fraudulent motion or document?  
 100% of the face amount of the bond
110. What other actions could the court take against a bondsman filing a fraudulent document?  
 Criminal prosecution



#### PART 4

111. What U.S. Supreme Court ruling provides the authority for the bail bond industry?  
Taylor vs Taintor
112. For what purpose can a bondsman arrest a defendant?  
For the purpose of surrender
113. Before a breach (forfeiture) of a bond, where can a bondsman surrender the defendant?  
To the sheriff of the county where the defendant was bonded to appear  
To the sheriff of the county where the defendant was bonded
114. How long does a bondsman have to return the full premium if the principal is surrendered?  
72 hours
115. What are 7 reasons a defendant can be surrendered without return of the bond premium?  
Fails to pay the premium or premium payment  
Changes address without notifying surety of change  
Physically hide from surety  
Leaves the State without permission of surety  
Violates any order of the court  
Fails to disclose or provides false information regarding court matters  
Provides incorrect or false personal identification information
116. After a breach (forfeiture) of a bond, where can the bondsman surrender the principal?  
To the sheriff of the county where the defendant was bonded to appear  
To the sheriff of the county where the defendant was bonded  
To the sheriff of any county where the defendant is incarcerated
117. What is the procedure for surrender of the principal by the bondsman?  
Provide the sheriff (jail) with a copy of the bond / forfeiture / conditions of release  
Receive a signed copy of the surrender from the sheriff (jail)
118. If a bondsman goes to a residence on a bail bond matter, what two initial actions are required?  
Knock and Announce
119. Does a bail bond license entitle a bondsman or runner to carry a concealed firearm?  
NO

#### PART 5

120. When can the Commissioner visit and examine a licensee's bail bond records?  
Anytime
121. What is provided to the Commissioner or person making the examination of the licensee?  
Free access to all bail bond records
122. Why are insurance companies or agencies not allowed to have a bail bond license?  
A bail bond license is issued only to a individual natural person
123. Under what circumstances can a bondsman hire an unlicensed person?  
For only normal office duties
124. How many months of supervision must a first year licensee complete?  
Twelve
125. How many months of uninterrupted supervision must a first year licensee complete?  
Six
126. How many supervising bondsmen can a first year licensee work for?  
One (one at a time)
127. Who notifies the DOI when the 1<sup>st</sup> year licensee completes the 12 month supervision?  
The first year licensee's supervising bondsman
128. How long must a new licensee be licensed before becoming a supervising bondsman?  
2 years
129. Why would a person applying for a license not be considered a new licensee?  
The person was previously licensed for a period of 18 consecutive months  
The person was not unlicensed for more than 3 years

130. When is the licensee required to carry the bail bond license picture identification card ?  
At all time when doing bail bond business
131. When must a licensee return the picture identification card if the license is terminated?  
Within 10 working days after termination
132. What is the expiration of a bail bond license?  
There is no expiration. The license is good until suspended or revoked
133. What three things keep a bondsman or runner's license in force?  
Payment of the renewal fee  
Completion of the annual continuing education class (3 hours)  
No violations
134. What is the Commissioner not required do even if license renewal requirements are met?  
Print new licenses
135. What is the renewal fee for a runner?  
\$120
136. What is the renewal fee for a professional or surety bondsman?  
\$200
137. Regardless of which month a person is licensed, when is the license to be renewed?  
July 1 of each even numbered year
138. What are the requirements for license renewal in even-numbered years?  
Proof that the applicant is a resident of this State  
Proof that the applicant meets the qualifications  
Current residential address  
Notice of criminal convictions  
Renewal fee
139. What are the requirements for license renewal every other even numbered year?  
Proof that the applicant is a resident of this State  
Proof that the applicant meets the qualifications  
Current residential address  
Notice of criminal convictions  
Renewal fee  
*Fingerprints*  
*Criminal record check fee*
140. What two reasons exempt a bondsman or runner from continuing education requirement?  
65 year of age or older  
Licensed as a bondsman or runner for 15 years
141. What must a bondsman do if he fails to take the last C.E. class before license renewal?  
Start over
142. What happens to a bondsman's license if he fails to take continuing education ?  
The license shall lapse
143. Where are bail bond licenses, powers of appointment, and powers of attorney registered?  
In the statewide Electronic Bondsmen Registry
144. When registered in the Registry, where can the licensee write bonds?  
All counties in N.C.
145. How many professional bondsmen can a runner work for at one time?  
One

146. Who can hold dual licenses?  
 Professional bondsman  
 Runner  
 Surety bondsman
147. If the Commissioner denies application or license, how long does the applicant or licensee have to write demanding a review?  
 Within 30 days after service of notice from the Commissioner
148. If an applicant disagrees with the review of the Commissioner, how long does he or she have to write demanding a hearing?  
 Within 30 days after service of notice from the Commissioner as to the review
149. How soon must a licensee notify the Commissioner after a change of address?  
 Within 10 working days
150. What will happen if a licensee fails to notify the Commissioner of a change of address?  
 The licensee shall pay an administrative fee of \$50
151. If DOI mails a letter to the licensee's address of record, when is the mailing considered complete?  
 Four days after mailing
152. What offenses for which a licensee is convicted shall be reported to the Commissioner?  
 Any crime or offense other than a motor vehicle infraction
153. How soon must a licensee notify the Commissioner of a conviction of a crime or offense?  
 Within 10 day after the conviction
154. If a bondsman discontinues writing bail bonds, when must the license be returned?  
 Thirty days

#### PART 6

155. What four things is a bondman prohibited from doing in regards to an attorney?  
 Pay fee, rebate or give anything of value to an attorney except in the defense on a bond  
 Participate in the capacity of an attorney of one on whose bond he is surety  
 Suggest or advise the name of an attorney to the principal  
 Require that the principal use a specified attorney
156. What are the four places a bondsman is prohibited from soliciting business?  
 Courts  
 Premises of the courts  
 Office of any magistrate  
 Any place prisoners are confined
157. What two places is loitering considered prima facie evidence of soliciting?  
 Office of any magistrate  
 Any place prisoners are confined  
 (Any place soliciting is prohibited)
158. What 2 things are prohibited as to a bondsman or runner's actions regarding law enforcement?  
 Shall not impersonate a law enforcement officer  
 Shall not represent connection with an agency of the local, state, or federal government
159. If a surety bondsman is desiring a new appointment, what must he submit to DOI?  
 An affidavit signed under oath by the surety bondsman and any former insurer
160. What must the surety bondsman's affidavit state?  
 The bondsman does not owe premiums or unsatisfied judgments to the former insurer  
 The bondsman will discharge forfeitures and judgments on bonds previously written
161. "Who gets notice if the surety bondsman fails to abide by the affidavit?  
 The appointing insurer  
 The surety bondsman  
 The Commissioner
162. How soon must the former insurer submit notice with the supporting documents to the appointing insurer, surety bondsman, and Commissioner?  
 Within thirty days after the former insurer has received the affidavit from the surety bondsman
163. Upon notice from the former insurer, what action is the appointing insurer required to take?  
 Cancel the surety bondsman's appointment
164. Upon notice from a former insurer, what may the surety bondsman and new insurer do?  
 Appeal to the Commissioner within 10 days after receiving the notice

## PART 7

165. What is the minimum security deposit to be licensed as a professional bondsman?  
\$15,000
166. What amount of outstanding (pending) bonds can be written on professional bondsman's security deposit?  
Twelve times (12X) the amount of the security deposit
167. What is the single largest bond a professional bondsman or his runner can write?  
(1/4) one fourth of the professional bondsman's security deposit
168. What is the most a professional bondsman or his runner can write on a single person?  
(1/4) one fourth of the professional bondsman's security deposit
169. A professional bondsman's security deposit limits the bonds written by what two rules?  
(1/4) rule and (12X) rule
170. Where is the professional bondsman's security deposit held?  
A master trust bank.
171. After the first \$5,000, what other securities may the professional bondsman deposit to his security deposit?  
Stocks or bonds
172. What value will the Commissioner allow for stocks or bonds deposited to the professional bondsman's security deposit?  
80 percent of the fair market value of bonds  
60 percent of the fair market value of stocks
173. What authorization must a professional bondsman provide to the Commissioner if stocks or bonds are used as security deposit?  
An irrevocable stock or bonds power
174. When will the Commissioner refund part of the professional bondsman's security deposit?  
When the Commissioner is satisfied the security deposit is in excess of the amount required to be maintained
175. When will the Commissioner refund all of the professional bondsman's security deposit?  
When the Commissioner is satisfied that the bondsman has satisfied, or satisfactory arrangements have been made to satisfy all the bondsman's bail bond obligations
176. What authorization must a professional bondsman provide with his security deposit to the Commissioner?  
Power of attorney
177. What will the Commissioner send to the professional bondsman if his security deposit falls below the required level?  
A notice of deficiency
178. What must a professional bondsman do if he or she receives a notice of deficiency?  
Deposit the securities necessary to bring the security deposit up to the required level
179. In what way are surety bondsmen limited in writing bonds?  
Amount of the largest "power" in his or her possession  
Expiration date on the "power"  
Policies that allow only one surety bondsman per bond
180. What are the three ways a "secured" bond can be posted?  
Cash  
Property  
Bail bondsman
181. In what way can a "cash" bond be posted?  
In Cash  
By a surety bondsman, professional bondsman, or runner
182. In what way can a "cash bond for child support" be posted?  
Cash only

## PART 8

183. What two reports are required of a professional bondsman?  
Daily bail bond register  
Monthly Report
184. What is the professional bondsman's daily bail bond register?  
A list of bonds written by the professional bondsman or his runner for a particular month
185. What is the professional bondsman's monthly report?  
A monthly list of bail bonds for which the professional bondsman is currently liable
186. When must the professional bondsman's monthly report be filed with the Commissioner?  
On or before the 15<sup>th</sup> of each month
187. What will a professional bondsman be guilty of if he or she falsifies a monthly report?  
Class I felony
188. In what manner must the bonds be listed on the professional bondsman's monthly report?  
Alphabetically by name
189. How long must bail bond records be kept?  
Three years after final entry
190. What two types of bonds is a bondsman not allowed to sign?  
Cash bonds for child support  
Blank bail bonds
191. What two bail bond violations in Chapter 58 Article 71 are considered Class I felonies?  
Falsifying a monthly report  
Failing to return collateral exceeding \$1,500
192. What can a person be charged with for misuse of the AOC criminal information system?  
Class H felony
193. Except as otherwise provided, what would a person who violates any of the provisions of Chapter 58 Article 71 be guilty of?  
Class 1 misdemeanor
194. A secured bail bond can be posted by cash, property, or a licensed bail bondsman. When can these different types of bail be substituted one for the other?  
At anytime before a breach (forfeiture)

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