

COURT SERVICES DIVISION STATE COURT ADMINISTRATOR'S OFFICE 25 Rev. Dr. Martin Luther King, Jr. Blvd.

25 Rev. Dr. Martin Luther King, Jr. Blvd Saint Paul, Minnesota 55155 651-297-7484

MEMORANDUM

TO: Bail Bond Agencies

DATE: August 7, 2009

SUBJECT: Surety Company appointments with the Minnesota Department of Commerce

Effective immediately, SCAO will not approve applications where the agent is not properly appointed with the Department of Commerce.

The State Court Administrator's Office (SCAO) has always required proof that an agent has a resident producer's license from the Minnesota Department of Commerce prior to approving an application. Licensure is confirmed by checking the Sircon website (<u>www.sircon.com</u>). SCAO also requests a Qualified Power of Attorney (QPOA) for each agent from each Surety Company that insures the agent. SCAO has not required that an agent also be "appointed" by his/her insuring surety company with the Department of Commerce prior to approving an application.

The requirements for appointment are set forth in <u>Minnesota Statutes § 60K.49 (2008)</u> and subdivision 2 specifically requires that an agent be appointed by the insurer (surety company) prior to engaging in business. Subdivision 4 sets forth the procedure for appointment. Please review this statute for further information.

From this date forward, SCAO will verify the surety appointment by checking the Sircon website. In the event that an application is received, whether an original or renewal, and the surety appointment does not appear on the Sircon an incomplete letter will be sent to the agent, bonding agency, and surety company, and approval will be delayed until appointment can be confirmed via the Sircon website. Receipt of a QPOA will no longer be sufficient to effect approval by the SCAO.

The SCAO application forms have been updated to reflect this requirement and you are asked to use the new forms from this day forward. All new forms can be accessed on the court's website at: <u>http://www.mncourts.gov/?page=306</u>.

Please contact me directly if you have any questions or concerns about this new practice. Thank you for your cooperation.

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