

BOND FIRM TO PAY ORLEANS \$333,912

Agreement Is Reached in Orleans Contest

The District Attorney's office Wednesday settled for about half of the money it said Maryland National Insurance Co. owed as a result of appearance bond forfeitures which accumulated since 1966.

In a motion signed by all concerned parties, the company agreed to pay \$333,912.50 to the District Attorney's office in settlement for claims of \$798,575.

The motion was presented to Criminal District Court Judge Matthew S. Braniff, who signed a judgment against the company to that effect.

District Attorney Jim Garrison, his first assistant, James L. Alcock, State Attorney General Jack Gremillion, and attorneys for Maryland National signed the motion.

ACTION ENDED

The agreement ended legal action on another motion which has pended before Judge Braniff for months. This motion, filed by Maryland National, sought to have the District Attorney's office enjoined from moves to collect the money for the forfeitures.

The money which a bail bonding company forfeits when one of its clients fails to appear in court goes to the District Attorney's office.

Judge Braniff said he envisioned setting aside an entire week for nothing but hearings on the forfeitures after preliminary legal battles were disposed of.

Maryland National in its motion requested that all forfeiture judgments rendered by judges be set aside on various grounds.

It attacked constitutionality of the forfeiture procedure, alleged that payment had already been made in several cases, said that other companies were responsible in some other cases, and argued that defendants were returned to the custody of the court within a six-month period of grace in other cases.

A previous claim of \$800,000 was reduced to \$651,325 after

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audits of the records of the District Attorney's office and those of Maryland National.

PAYS ABOUT HALF

The company agreed to pay about 50 cents on the dollar to the District Attorney's office. Robert L. Redfearn, an attorney; represented the company.

Alcock, who handled details of the agreement, called it an "optimum settlement."

"The \$333,912.50 settlement," he added, "is the largest collection of bail bond forfeitures ever by a District Attorney's office in Louisiana.

"We had the choice of going for a settlement or pursuing the case through the courts for several years at the end of which there may have been no money whatever for us.

"Maryland National is now in the process of liquidating its business. The company is down to three employees. In addition to claims against it in Louisiana and Oklahoma, a judgment for \$500,000 has just been returned against Maryland National in Miami.

"We reached a fair agreement and got out with what we considered the absolute maximum."

The company has been unable to operate in Criminal Court since the judges there forbade the clerk of court to accept Maryland National as surety for appearance bonds nearly one year ago.

The large backlog of uncollected bond forfeitures came to light last year when Garrison's former first assistant, Charles R. Ward, resigned to run against him in the Democratic primary.

Garrison claimed that Ward ran the office and allowed the forfeitures to go uncollected.

Ward, now an assistant city attorney, charged that Garrison specifically ordered him not to collect the forfeitures.

WARD DEFEATED

Garrison weathered what he called "the worst mistake of my administration" and defeated Ward and two other candidates.

He pledged to collect all of the money.

In arriving at their final agreement, Alcock and attorneys for Maryland National determined that forfeitures through October, 1969, amounted to \$750,325.

Forfeitures which became effective after October totaled \$47,750, which amounted for the total of \$798,575.

However, \$147,250 was deducted. This consisted of forfeitures where the defendant was already in jail unknown to the courts or was later surrendered or where some administrative error had been made in the forfeiture.

In this way, the total was reduced to \$651,325, on which the settlement was made.

Alcock said the settlement money will go to the fines and fees account. At the end of the year, anything that is left will be split with the city.

"Our hope is that at the end of the year, we will have some \$200,000 in the account and at that time, Mr. Garrison will present a check for \$100,000 to Mayor (Moon) Landrieu," Alcock said.

Alcock said he is investigating the possibility of putting the money into 90-day treasury notes in order to obtain interest rather than leaving it to sit idle.

Assistant District Attorney Shirley G. Wimberly Jr. has been in charge of bond forfeitures since December, 1968, when he began to move against Maryland National.

Wimberly's records show that only three bail bond firms still do any significant amount of business in New Orleans, and each is up to date on its forfeiture payments.

The records also indicate that Wimberly has taken action against any firm which has fallen as much as \$2,000 behind on forfeiture payments.

"I'm as certain as I can be that we will never again see the bail bond records in a mess during this administration," Alcock said.

Three attorneys were indicted by the Orleans Parish Grand Jury, whose legal advisor is the District Attorney's Office, at the height of the controversy over the forfeiture backlogs.

One, Ralph Kaskell, represented Maryland National. He was accused of communicating a threat to Wimberly in 1969, in order to force the District Attorney's Office to accept a settlement favorable to the company.

He was indicted on a charge of attempted extortion.

Milton P. Masinter and Thomas Toronto Jr. were charged with corrupt influencing. They were accused of accepting \$12,500 between Aug. 20 and Dec. 31 of 1968 for the purpose of influencing Ward not to collect forfeited bail bonds.