

PRIVATE BUSINESS SCHOOL CONTRACT BOND
(For the Protection of Contractual Rights of Students)

KNOW ALL MEN BY THESE PRESENTS, that the applicant for license (Name of Applicant)

_____ with business located at

(Street) _____ (Municipality) _____

_____ (County) _____ as principal and (Name of

Surety Company) _____ a corporation organized

and existing under the laws of the State of _____ as surety are held and firmly bound unto the State of Delaware for the benefit and protection of the students of said principal, in the sum of _____ Dollars lawful money of the United States of America, to be paid to the said State, its certain attorneys or assigns, to which payment well and truly to be made, we do hereby bind ourselves, jointly and severally, our heirs, executors, administrators, successors, and assigns firmly by these presents.

SIGNED, sealed with our seals, and delivered this _____ day of _____ in the year of our Lord, _____.

WHEREAS, the above bounden principal desires to operate its school at the place set forth above in the manner required both by its express contracts with its students as well as by the provisions of the laws of the State of Delaware pertaining to the operation of Private Business Schools; and

WHEREAS, it is a condition of the grant of a license to the principal by the State of Delaware that these presents should be executed;

NOW THEREFORE, the condition of this obligation is such that if upon and after the issuance of a private business school license pursuant to the aforementioned application, the above bounden principal shall fully and faithfully observe the express provisions of all contracts with students and the provisions of all the laws of this State and the rules and regulations promulgated by the State Board of Private Business Schools during the term of the licensure, then this obligation shall be void; otherwise it shall remain in full force, virtue and effect;

And the obligors, jointly and severally, for themselves, their heirs, executors, administrators, successors and assigns do agree with the State of Delaware, for the benefit and protection of the students of said principal, that upon violation of any contract with any student or the suspension, revocation, or any other termination of the license aforesaid under the provisions of the laws of the State of Delaware or upon any action in any Court of bankruptcy either voluntary or involuntary; an assignment for the benefit of creditors; the insolvency of the principal; or the closing of the school owned by the principal resulting in a suspension of teaching activities, the full amount of this bond shall be due and payable to the State of Delaware for distribution pro rata to all students having valid contractual claims against said licensee.

This bond may be cancelled by surety at the end of any annual term by giving 30 days notice in writing by certified mail return receipt requested to the Private Business and Trade School, State Board of Education, State of Delaware, and the obligor.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

ATTEST:

By: _____
(Principal)

By: _____
(President)

WITNESS:

By: _____
(Surety)

By: _____
(Attorney-in-Fact)

Surety Bond Sample
Provided by BondAbility

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