

Bond No. _____

STATE OF DELAWARE
PRIVATE BUSINESS AND TRADE SCHOOL CONTRACT BOND
(For the Protection of Contractual Rights of Students)

KNOW ALL MEN BY THESE PRESENTS, that the applicant for Certificate of Approval (*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 of Delaware, Department of Education**, 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 and the rules and regulations of the Delaware Department of Education pertaining to the operation of Private Business and Trade Schools; and

WHEREAS, it is a condition of the grant of a Certificate of Approval 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 and Trade School Certificate of Approval pursuant to the aforementioned applicant, 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 Delaware Department of Education pertaining to the operation of Private Business and Trade Schools during the term of the Certificate of Approval, 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 Certificate of Approval aforesaid under the provisions

of the laws of the State of Delaware or rules and regulations of the Delaware Department of Education pertaining to the operation of Private Business and Trade Schools, 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, Department of Education for distribution pro rata to all students having valid contractual claims against said principal.

This bond may be cancelled by surety at the end of any annual term by giving 90 days notice in writing by certified mail return receipt requested to the Private Business and Trade School, Delaware Department of Education, 401 Federal Street, Suite 2, Dover, DE 19901 and the obligor.

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

ATTEST:

(Principal)

By: _____
(President)

WITNESS:

The _____
(Surety)

By: _____
(Attorney-in-Fact)

Countersigned for Delaware:

By: _____

Sworn to and subscribed before me this _____ day of _____

My commission expires:

Date

Notary Public