

SURETY BOND FOR POSTSECONDARY EDUCATIONAL INSTITUTIONS

Bond # _____

Authorized Name of Institution _____

Authorized Location Address _____
(Street, City, State, ZIP)

KNOW ALL PERSONS BY THESE PRESENTS:

That we, _____, as Principal, and
(Authorized Name of Institution)

_____, a Corporation
(Surety Company)

duly licensed to do surety business in the State of Tennessee, as Surety, are firmly bound unto the Tennessee Higher Education Commission, as Obligee, in the just and full penal sum of Ten Thousand Dollars (\$10,000), lawful money of the United States, to be paid to the Obligee, for which payment well and truly to be made, we bind ourselves, our legal representatives, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

The condition of the above obligation is such, that whereas, the bound Principal, in pursuance of the provision of Tennessee Code Annotated Sections 49-7-2007 and 49-7-2008, has obtained authorization to operate and engage in activities as a postsecondary educational institution within the State of Tennessee and said Principal has accepted such authorization with all of the duties and liabilities applicable thereto; and the Tennessee Higher Education Commission requiring that the undersigned Principal provide a surety company bond in the penal sum of _____ (\$ _____) in accordance with the terms of Tennessee Code Annotated Section 49-7-2013.

Further, the condition of this obligation is such that the Principal shall indemnify any student or enrollee or the student's or enrollee's parents or guardian, or class thereof, determined to have suffered loss or damage as a result of any act or practice which is a violation of Tennessee Code Annotated Section 49-7-2001, et. seq., by said Principal, and that the Surety shall pay any final, non- appealable decision rendered by the Obligee, board of directors of the tuition guaranty fund, or any court of this state having jurisdiction, upon receipt of written notification thereof from the Obligee. Upon cessation of operation of Principal and two (2) years thereafter, any remaining funds shall be used to pay the special agency account established pursuant to Tennessee Code Annotated Section 49-7-2014, an amount to be assessed by Obligee for the administrative costs associated with maintaining academic records pursuant to Tennessee Code Annotated Section 49-7-2016, including the collection, conversion, and retention of all academic records.

Now therefore, if the Principal shall faithfully perform their duties in conformity with the provision of the aforesaid law, then this obligation shall be considered void, otherwise to remain in full force and effect.

Provided, however, that this bond is executed and accepted subject to the following express conditions and limitations:

1. This bond shall be effective from the _____, of _____ 20_____, and shall be in force as the security required of the Principal as hereinafter set forth until cancelled as provided in Paragraph 3 hereof.

2. Regardless of the number of years that such bond is in force, the aggregate liability of the Surety thereon shall in no event exceed the penal sum of the bond.
3. The Surety may be released therefrom after such Surety shall serve written notice thereof to the Obligee sixty (60) days prior to said release, but said release shall not discharge or otherwise affect any claim theretofore or thereafter filed by a student or enrollee or student's or enrollee's parents or guardian, or class thereof for loss or damage resulting from any act or practice which is a violation of Tennessee Code Annotated Section 49-7-2001, et. seq., alleged to have occurred while said bond was in effect, for an institution's ceasing operations during the term for which tuition has been paid while said bond was in force, or for the administrative costs associated with maintaining academic records pursuant to Tennessee Code Annotated Section 49-7-2016, including the collection, conversion, and retention of all academic records.

IN WITNESS WHEREOF:

The said Principal has hereunto set their hand, and the said Surety has caused its corporate name to be signed hereto, and has caused its corporate seal to be hereto affixed by _____, its duly authorized Agent or Attorney in Fact, this the _____ day of _____, 20_____.

SURETY SEAL

Name of Surety _____

Address (Street, City, State, ZIP) _____

Name of Agent or Attorney in Fact _____

Phone number of Agent or Attorney in Fact _____

Signature _____ Date _____

NOTARY SEAL

State of _____

County of _____

I, _____ a Notary Public in and for the County and State aforesaid, do hereby certify that _____, annexed, for _____, a corporation, bearing date, the day of, _____ day of _____, 20 _____, in my said county, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand this _____ day of _____, 20 _____

Notary Signature _____ Commission Expires _____

PRINCIPAL

Principal (Authorized Name of Institution) _____

Authorized Institution Official _____

Signature _____ Date _____

NOTARY SEAL

State of _____

County of _____

I, _____ a Notary Public in and for the County and State aforesaid, do hereby certify that _____, annexed, for _____, a corporation, bearing date, the day of, _____ day of _____, 20 _____, in my said county, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand this _____ day of _____, 20 _____

Notary Signature _____ Commission Expires _____