

State of Idaho
STATE BOARD OF EDUCATION
650 West State Street (P.O. Box 83720)
Boise, Idaho 83720-0095

PROPRIETARY SCHOOL SURETY BOND

Bond Number: _____

We _____, as principal and the _____, a corporation duly organized and existing under and by virtue of the laws of the State of _____ and authorized to transact business in the state of Idaho, as surety, are held and firmly bound unto the state of Idaho in a penal sum issued in accordance with Idaho law **, for which payment, well and truly to be made, we jointly and severally bind ourselves, and each or our heirs, executors, administrators and successors, firmly by these presents. BOND SUM _____ Issued at Rate of _____ %, for an Annual Premium of _____. Effective this _____ day of _____, _____ and ending _____.

WHEREAS, As a condition of annual registration, a proprietary school shall obtain a surety bond issued by an insurer duly authorized to do business in this state in favor of the state of Idaho for the indemnification of any student for any loss suffered as a result of a failure by such proprietary school to satisfy its obligations pursuant to the terms and conditions of any contract for tuition or other instructional fees entered into between the propriety school and a student, or as a result of any violation of this chapter or the rules promulgated pursuant to this chapter. The term of the bond shall extend over the period of registration, and shall be in such amount as is established in rule by the board; provided however that this bond shall not be cumulative from year to year.

The board or its designee may submit a demand upon the surety on the bond on behalf of a student or students when it is reasonably believed that a loss has occurred due to a failure by such proprietary school to satisfy its obligations pursuant to the terms and conditions of any contract for tuition or other instructional fees entered into between the propriety school and a student, or as a result of any violation of the provisions of this chapter or the rules promulgated pursuant to this chapter.

Neither the principal nor surety on the bond may terminate the coverage of the bond, except upon giving one hundred twenty (120) days' prior written notice to the board. The bond shall remain in force for 120 days after a school closure to allow time for filing of any potential claims that may arise.

Signed and sealed this _____ day of _____

Principal
by: _____

Attest: _____

Surety
by: _____

Countersigned

Resident Agent

** See Idaho Code, Title 33, Chapter 24 and Idaho Administrative Rule (IDAPA) 08.01.11 for specific Bonding criteria . As of Aug 20, 2009 bonds are based upon amount of student tuition and may vary from registration year to year. Schools are required to notify their surety company of the exact bond amount required of their individual school. Each school is required to maintain a valid Bond throughout the entire Idaho State Registration Year as prescribed by law and show proof of the bond, on this form, to the state program manager at either initial registration or annual renewal.