

**INSURANCE COMPANY NAME AND LETTERHEAD**

Bond Number: \_\_\_\_\_

**TUITION GUARANTY BOND**

KNOW ALL MEN BY THESE PRESENTS, That we  
\_\_\_\_\_(Institution Name) of  
\_\_\_\_\_(Institution's Address), as Principal, and  
\_\_\_\_\_(Insurance Company Name), of  
\_\_\_\_\_(Insurance Company's Address), a corporation  
incorporated under the laws of the State of \_\_\_\_\_, and duly licensed to  
transact business in the State of North Carolina, as Surety, are jointly and severally held and  
firmly bound unto, the **State Education Assistance Authority, a political subdivision of  
the State of North Carolina** ("SEAA"), 3120 Poplarwood Court, Raleigh, North Carolina  
27604, as Obligee, in the sum of \_\_\_\_\_  
(\$\_\_\_\_\_), lawful money of the United States, for the payment of which sum we  
hereby jointly and severally obligate and bind ourselves and our heirs, administrators,  
successors, and assigns, all on the terms and conditions hereafter described.

WHEREAS, the Principal shall submit an application to SEAA, as the portal agency for  
State Authorization Reciprocity Agreements (SARA) North Carolina, for approval to become a  
member of SARA North Carolina; and

WHEREAS, a bond in this form was required for Principal to be approved to become a  
member of SARA North Carolina and must accompany the Principal's Application and Approval  
form for Institutional Participation in SARA;

NOW, THEREFORE, it is the express condition of this bond to indemnify and cover the  
Principal's students who suffer loss of tuition and fees, and to provide for a refund of tuition and  
fees, in the event of the closing of the Principal's educational institution for any reason  
whatsoever, as well as the Principal's failure to honor its published policy governing refunds of  
tuition and fees, or in the event that the school fails to comply with the SARA Standards and  
Policies in regard to the refund of tuition and fees. The bond only applies to and is limited to

indemnification of tuition and fees for all students covered by SARA who are enrolled in a course or program of the Principal institution.

NOW, THEREFORE, the condition of this obligation is such that, if the above bounded Principal shall well and truly pay, or cause to be paid TUITION, then this obligation shall be void, otherwise to remain in full force and effect, for the period of one (1) year, provided however, that the liability of the Surety hereunder may be terminated by giving thirty (30) days written notice thereof, by registered mail to the Obligee.

IN WITNESS WHEREOF, the Principal and Surety have executed this bond and hereunto set their hands and sealed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
PRINCIPAL

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_

\_\_\_\_\_  
SURETY

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_