

§ 93A-36. (Effective July 1, 2020) Execution of bond required; applicability to branch schools; actions upon bond.

(a) Before the Commission shall issue a certification the applicant shall execute a bond in the sum of five thousand dollars (\$5,000), payable to the State of North Carolina, signed by a solvent guaranty company authorized to do business in the State of North Carolina, and conditioned that the principal in said bond will carry out and comply with each and every contract or agreement, written or verbal, made and entered into by the applicant's education provider acting by and through its officers and agents with any student who desires to take any courses offered by the education provider and that said principal will refund to such students all amounts collected in tuition and fees in case of failure on the part of the party obtaining a certification from the Commission to operate as a private real estate education provider or to provide the instruction agreed to or contracted for. Such bond shall be required for each education provider for which a certification is required and shall be first approved by the Commission and then filed with the clerk of superior court of the county in which the school is located, to be recorded by such clerk in a book provided for that purpose. A separate bond shall not be required for each location of an education provider.

(b) In any and all cases where the party licensed by the Commission fails to fulfill its obligations under any contract or agreement, written or verbal, made and entered into with any student, then the State of North Carolina, upon the relation of the student(s) entering into said contract or agreement, shall have a cause of action against the principal and surety on the bond herein required for the full amount of payments made to such party, plus court costs and six percent (6%) interest from the date of payment of said amount. Such suits shall be brought in Wake County Superior Court within one year of the alleged default. (1979, 2nd Sess., c. 1193, s. 1; 1983, c. 81, s. 2; 1999-229, s. 12; 2019-195, s. 3.)