

MINISTRY OF TRAINING, COLLEGES AND UNIVERSITIES



Private Career Colleges Act, 2005

FACT SHEET #4A

**TRAINING COMPLETION
ASSURANCE FUND:
FINANCIAL SECURITY**

August 15, 2007

Table of Contents

1. How is a Student’s Investment in Training at a Private Career College Protected?.....	2
2. Types of Financial Security	3
2.1 Instructions for Placing a Surety Bond	3
2.2 Instruction for Placing a Letter of Credit.....	4
2.3 Instructions for Placing a Personal Bond Accompanied by Collateral Security	4
2.4 Changing the Type of Financial Security You Provide to the Ministry.....	8
3. Amount of Financial Security	13
3.1 Determining Financial Security from September 18, 2006 to December 31, 2008	13
3.2 Determining Financial Security after January 1, 2009	14
3.3 PCCs with Gross Revenue from Vocational Programs in Excess of \$25M	15
3.4 PCC’s with Registered Charity Status.....	16
4. PCC Accounting Practices	16
Attachment “A”	17
Attachment “B”	18
Attachment “C”	21
Attachment “D”	22



1. HOW IS A STUDENT'S INVESTMENT IN TRAINING AT A PRIVATE CAREER COLLEGE PROTECTED?

The Training Completion Assurance Fund (TCAF) is a new provision of the *Private Career Colleges Act, 2005* (PCCA). TCAF will replace the old financial security requirements with a combination of an insurance fund and a new, reduced financial security requirement.

TCAF will provide students affected by a closure with the option of completing their training or receiving a refund in a prescribed amount and in accordance with prescribed rules under [Part VI of O.Reg. 414/06](#). Participation in TCAF is mandatory for all registered private career colleges (PCCs). TCAF is administered by the Superintendent of Private Career Colleges with the assistance of a TCAF Advisory Board appointed by the Minister of Training, Colleges and Universities.

TCAF will go through two major phases before the fund reaches maturity:

Build-up Period: September 18, 2006 – December 31, 2008

During this period, PCCs will start paying TCAF premiums and will continue to maintain financial security under Regulation 939. This will also be a claims-free period. During this time, student claims will be paid exclusively out of financial securities provided by PCCs, not out of TCAF. This allows TCAF to build its financial resources over a period of time and have adequate resources on hand to respond to student claims once the fund is operational.

TCAF Goes Live: January 1, 2009 and Thereafter

On January 1, 2009 TCAF “goes live” and will administer student claims. Students will be eligible to make claims for training completions, some costs associated with attending a training



completion and refunds. At this time, a risk-adjusted approach to calculating premiums and financial securities will come into effect. This means that the amount of your premium will vary by how much prepaid unearned revenue from vocational programs you collect and what your PCC's credit rating is. The amount of financial security required will depend on how much prepaid unearned revenue from vocational programs you collect, subject to a prescribed, minimum amount of \$10,000.

2. TYPES OF FINANCIAL SECURITY

In order to be registered, a PCC must provide the Ministry with the required amount of financial security. There are three types of financial security that can be posted under the Act:

- A surety bond guaranteed by a surety company
- A letter of credit issued by a bank or financial institution that is supervised or examined by the central bank of Canada or another governmental authority in Canada
- A personal bond accompanied by collateral security issued by Canada or by any province of Canada

2.1 Instructions for Placing a Surety Bond

PCCs interested in providing a surety bond as their financial security should contact a surety company licensed by the Financial Services Commission of Ontario (FSCO). A listing of licensed companies can be found on the [FSCO website](#) (See companies with classification: surety). The surety bond must be in the form specified by the Superintendent (See Attachment "A"). **Surety bonds that are not in the specified form will not be accepted.**

2.2 Instruction for Placing a Letter of Credit

PCCs interested in providing a letter of credit as their financial security should contact a bank or financial institution as defined above. You must provide the Ministry with an original copy of the letter of credit in the form specified by the Superintendent (See Attachment “B”). **Letters of credit that are not in the specified form will not be accepted.**

2.3 Instructions for Placing a Personal Bond Accompanied by Collateral Security

PCCs that choose to place a personal bond accompanied by collateral security with the Superintendent must deposit collateral security with the government of Ontario safekeeping agent and provide the Ministry with a completed Personal Bond Form (See Attachment “C”). The steps for placing the collateral security are outlined below.

Step 1 – Collateral Security Deposit

- Only bonds issued by Canada or by any province of Canada can be accepted as collateral security for a personal bond under the PCCA.
- To arrange for a deposit of collateral security, you should contact the National Bank Trust (also known as NatCan Trust), the government of Ontario safekeeping agent:

National Bank Trust
130 King Street West, Suite 3000
Toronto ON M5X 1J9
Phone: (416) 869-6503
Fax: (416) 869-8560

- The National Bank Trust is responsible for setting up safekeeping accounts and for purchasing acceptable security for private career colleges. The National Bank Trust also provides the Ministry with a confirmation of collateral deposit.
- Collateral security in support of a personal bond under the Act can be placed only with National Bank Trust. If you already have acceptable security (bond issued or guaranteed by Canada or any province) at another institution, the security must be transferred to National Bank Trust.
- PCCs depositing collateral security are responsible for payment of the required National Bank Trust service fees.

Step 2 – Personal Bond Form

- Once the collateral security is deposited with the National Bank Trust, you must complete and return a copy of the Personal Bond Form to the Ministry.

Instructions for Completing the Personal Bond Form (Samples attached as Attachment “D”)

- Bond Number:** This section is completed by the Ministry
- Amount:** Total amount of bond as required by the Ministry
- Obligor Name:** If the collateral security placed in support of the personal bond is an asset of the PCC: legal and operating names of the PCC. If more than one campus is to be covered by the bond, operating names of all campuses must be provided (See Attachment “D”, Sample 1).



Obligor Name (continued): If the collateral security placed in support of the personal bond belongs to an individual associated with the PCC: first and last names of the person who owns the security, legal and operating names of the PCC. If more than one campus is to be covered by the bond, operating names of all campuses must be provided (See Attachment "D", Sample 2).

Description of Financial Security Accompanying Personal Bond: This information is available on confirmation notices provided by the National Bank Trust for each deposit

Date: Date on which the Personal Bond is signed and witnessed

Name and Title: Name and title of an authorized officer of the PCC signing on the Bond

An authorized officer means:

- In the case of a sole proprietor, the sole proprietor.
- In the case of a partnership, the managing partner.
- In the case of a corporation, the person who, under the corporation's by-laws, has the authority to exercise such powers (e.g., a director, an officer or an agent of the corporation).

Name and Title of a Witness: A person in whose presence the Personal Bond is signed. The completed Personal Bond Form must be printed and signed by the authorized officer of the PCC in the



Name and Title of a Witness (continued): presence of a witness, who also needs to sign the form. A representative of any of the following occupations can act as a witness for the purpose of submitting a Personal Bond under PCCA.

- | | | | |
|---|---|--|--|
| - Chiropractor | - Mayor | - Optometrist | - Principal of a primary or secondary school |
| - Dentist | - Medical doctor | - Pharmacist | - Professional accountant |
| - Geoscientist | - Minister of religion authorized under provincial law to perform marriages | - Police officer (municipal, provincial or RCMP) | - Professional engineer |
| - Judge | - Notary public | - Postmaster | - Veterinarian |
| - Lawyer (member of a provincial bar association) | | | |
| - Magistrate | | | |

Information about the Witness: Name, occupation, address and contact details must be included in the space provided.

Step 3 – Submitting Information

The original of the completed and signed Personal Bond Form must be delivered to the following address:

Ministry of Training Colleges and Universities
10 Floor, Mowat Block
900 Bay Street
Toronto, ON M7A 1L2

Any changes to collateral security of PCCs on deposit with the National Bank Trust (e.g., increase/decrease of security amount, changes to security type, etc.) require the completion of a new Personal Bond Form.



2.4 Changing the Type of Financial Security You Provide to the Ministry

In order to give PCCs more flexibility in choosing the type of financial security they can post with the Superintendent, the new Act allows a PCC during any period of its registration to switch from one type of security to another type by following a few simple steps. This section outlines some common scenarios of switching financial securities. **In order to comply with the obligations under the PCCA, PCCs must follow the steps outlined below when switching financial securities.**

2.4.1 Moving from a Surety Bond to a Letter of Credit

1. Obtain a copy of Ministry's letter of credit template (See Attachment "B").
2. Obtain a letter of credit from your bank or financial institution. The letter of credit must use the exact wording in the Ministry's template.
3. Send the original letter of credit to the Ministry at the following address:

Ministry of Training, Colleges and Universities
10th Floor, Mowat Block
900 Bay Street
Ontario ON M7A 1L2

4. If your letter of credit meets the Ministry's requirements, the Ministry will issue a letter addressed to the surety company and you, authorizing the cancellation of the surety bond. If your letter of credit complies with the Ministry's requirements, this letter will normally be sent within 10 business days of receiving your new financial security.

5. Inform your surety company that you would like to cancel your surety bond posted under the PCCA and provide them with the Ministry's letter in the event they have not received their copy of the letter from the Ministry's office.
6. The surety company will then cancel your surety bond.

2.4.2 Moving from a Surety Bond to a Personal Bond Accompanied by Collateral Security

1. Follow the steps in Section 2.3 to obtain a personal bond accompanied by collateral security.
2. If your personal bond accompanied by collateral security meets the Ministry's requirements, the Ministry will issue a letter addressed to the surety company and you, authorizing the cancellation of the surety bond. If your personal bond accompanied by collateral security meets the Ministry requirements, this letter will normally be sent within 10 business days of receiving your new financial security.
3. Inform your surety company that you would like to cancel your surety bond posted under the PCCA and provide them with the Ministry's letter in the event they have not received their copy of the letter from the Ministry's office.
4. The surety company will then cancel your surety bond.

2.4.3 Moving from a Personal Bond Accompanied by Collateral Security to a Letter of Credit

1. Obtain a copy of Ministry's letter of credit template (See Attachment "B").

2. Obtain a letter of credit from your bank or financial institution. The letter of credit must use the exact wording in the Ministry's template.
3. Send the original letter of credit to the Ministry at the following address:

Ministry of Training, Colleges and Universities
10th Floor, Mowat Block
900 Bay Street
Ontario ON M7A 1L2

4. If your letter of credit meets the Ministry's requirements, the Ministry will cancel your Personal Bond and issue a letter addressed to the National Bank Trust and you, authorizing the release of your collateral security. If your letter of credit meets the Ministry's requirements, this letter, along with your personal bond, will normally be sent within 10 business days of receiving your new financial security.
5. Inform the National Bank Trust that you would like to release your collateral security under the PCCA and provide them with the Ministry's letter in the event they have not received their copy of the letter from the Ministry's office.
6. The National Bank Trust will then release your collateral security.

[2.4.4 Moving from a Surety Bond under the old *Private Career Colleges Act* to a Surety Bond under the new *Private Career Colleges Act, 2005*](#)

1. Obtain a copy of Ministry's bond template (See Attachment "A").
2. Obtain a surety bond from your new surety company. The surety bond must use the exact wording in the Ministry's template.

3. Send the original surety bond to the Ministry at the following address:

Ministry of Training, Colleges and Universities
10th Floor, Mowat Block
900 Bay Street
Ontario ON M7A 1L2

4. If your new surety bond meets the Ministry's requirements, the Ministry will issue a letter addressed to your old surety company and you, authorizing the cancellation of the old surety bond. If your new surety bond meets the Ministry's requirements, this letter will normally be sent within 10 business days of receiving your new financial security.
5. Inform your old surety company that you would like to cancel your surety bond posted under the *Private Career Colleges Act* and provide them with the Ministry's letter in the event they have not received their copy of the letter from the Ministry's office.
6. Your old surety company will then cancel your old surety bond. However, note the discussion under section 2.4.5 in respect of the continued operation of the surety bond. In some cases, the surety company may still require you to maintain any posted collateral security with the company.

2.4.5 Release Period after Switching Financial Securities

In general, when you are informed by the Ministry that your new financial security meets the Ministry's requirements, your old security does not have to remain in effect after it is cancelled. However, there are some exceptions where your old financial security must still be maintained for either a period of six months after your new security takes effect or until January 1, 2009, depending on when the old security that is being replaced was originally issued.

Before January 1, 2009

Old Security \ New Security	Personal bond accompanied by collateral security	Surety bond	Letter of credit
Personal bond accompanied by collateral security	Old security can be released of liability when new one is established	Old security remains in effect for 6 months	Old security can be released of liability when new one is established
Surety bond	Old security can be released of liability when new one is established	Old security remains in effect for 2 years if it was obtained under the old Act or for 6 months if it was obtained under the new Act	Old security can be released of liability when new one is established
Letter of credit Note that letters of credit were not an acceptable form of financial security prior to Sep. 18, 2006.	Old security can be released of liability when new one is established	Old security remains in effect for 6 months	Old security can be released of liability when new one is established

January 1, 2009 and Thereafter

For financial security that was procured after January 1, 2009, if you switch to a surety bond, the old financial security must still be maintained for a period of six months after your new security takes effect. In all other cases, the old security does not have to remain in effect after it is cancelled.



3. AMOUNT OF FINANCIAL SECURITY

As the Ministry transitions from the current financial security regime to the new one established under the PCCA, the way financial security is determined will change. Examples are provided to give you a practical idea of how the determination is done during the different phases.

3.1 Determining Financial Security from September 18, 2006 to December 31, 2008

The relevant data for the sample PCC includes the following:

- Annual gross tuition revenue from vocational programs is \$200,000
- Highest monthly prepaid unearned revenue (vocational programs) account balance is \$25,000
- Registered for more than 6 years

Until December 31, 2008, the amount of financial security you are required to post will continue to be calculated in accordance with the rules of the old *Regulation 939*.

Example 1

To determine the financial security required for the sample PCC until December 31, 2008, you need to determine what its annual gross tuition revenue from vocational programs is and whether it has been registered for 6 years or more:

- Determine PCC's annual gross tuition revenue from vocational programs = \$200,000
- Registered for more than 6 years

According to the bond table under *Regulation 939*, the amount of financial security required = \$45,000

3.2 Determining Financial Security after January 1, 2009

Effective January 1, 2009, you will be required to replace your existing financial security with financial security in the amount of 25% of the highest monthly prepaid unearned revenue (vocational programs) account balance collected in the fiscal year ending immediately prior to January 1, 2009 or \$10,000, whichever is greater.

Example 2

To determine the financial security required for the sample PCC after January 1, 2009, you need to determine what its highest monthly prepaid unearned revenue (vocational programs) account balance is:

- Determine PCC's highest monthly prepaid unearned revenue (vocational programs) account balance = \$25,000
- Multiply highest monthly prepaid unearned revenue (vocational programs) account balance by 25% = $\$25,000 \times .25 = \$6,250$ (which is less than \$10,000)

The amount of financial security required for the sample PCC is \$10,000.

The Ministry will contact all PCCs prior to January 1, 2009 to arrange for financial security replacement.

For PCCs with surety bonds, the old surety bond obtained under the old Act may be released on January 1, 2009 if the new security as outlined in section 2.4 is procured and the old surety bond was not forfeited prior to January 1, 2009. The Ministry is having ongoing discussions with the surety sector to develop a plan to expedite the transition in January, 2009.

3.2.1 PCCs First Registered After January 1, 2009

For PCCs that are registered for the first time after January 1, 2009, the financial security required for the first registration will be 10% of the projected gross revenue from vocational programs for the first year of operation or \$10,000, whichever is greater. This includes all revenues from the ten fee categories for the first year of operation: tuition fees, book fees, expendable supplies, uniforms and equipment, major equipment, field trips, professional/exam fees, other compulsory fees, international student fees and optional fees.

Example 3

To determine the financial security required for a new PCC that is registered for the first time after January 1, 2009, you need to determine what its projected annual gross revenue from vocational programs is for the first year of operation:

- Determine PCC's projected annual gross revenue from vocational programs = \$250,000
- Multiply projected annual gross revenue from vocational programs by 10% = $\$250,000 \times .1 = \$25,000$ (which is greater than \$10,000)

The amount of financial security required for this PCC is \$25,000.

3.3 PCCs with Gross Revenue from Vocational Programs in Excess of \$25M

PCCs with gross annual revenue from vocational programs that exceed \$25 million are not required to pay TCAF premiums but effective January 1, 2009, they are required to have \$3 million financial security in place in lieu of premiums. Once a PCC has reached the \$25 million threshold once, only a decrease in gross annual revenue from vocational programs to below \$20 million will lead to that PCC leaving this 'segregated risk' category. In the event

of a closure or the Superintendent's declaration that the financial security is forfeit, any resulting claims are funded solely from the PCC's financial security.

3.4 PCCs with Registered Charity Status

A registered charity is exempt from posting financial security under the PCCA. A registered charity must provide a confirmation letter of charity status from the Canada Revenue Agency.

4. PCC ACCOUNTING PRACTICES

For each renewal of registration under the PCCA, you are required to submit financial statements for the fiscal year immediately preceding the year of renewal. You will be provided with more details about the type of financial statements required in your Notice of Renewal of Registration. As the Ministry transitions from the current financial security regime to the new one established under the PCCA, you will be required to maintain and report on different financial information. You should refer to [**Instructions for Preparation of Financial Statements**](#) for details on the appropriate accounting and financial reporting practices applicable during each phase.



ATTACHMENT "A"

PRIVATE CAREER COLLEGES ACT, 2005

S.O. 2005 , CHAPTER 28, Schedule L

SURETY BOND OF A GUARANTEE COMPANY

Bond No. Amount \$.....

WE, [insert legal & operating name (if any) of registered private career college and list all campuses] (the "Principal") as Principal and (the "Surety") as Surety are held and firmly bound to Her Majesty in right of Ontario (the "Obligee") in the sum of Dollars (\$.....) of lawful money of Canada, to be paid to the Obligee, her successors and assigns, for which payment to be made, we, [name of Principal], bind ourselves, heirs, executors, administrators and assigns, and we, [name of Surety] bind ourselves, our successors and assigns jointly and firmly by signing this Bond.

The total liability imposed upon the Principal or Surety by this Bond and any and all renewals of this Bond shall be concurrent and not cumulative and shall in no event exceed the penal sum written above or the amount substituted for such penal sum by any subsequent endorsement or renewal certificate.

SEALED with our seals and dated this day of, 20

THE CONDITION of the above obligation is such that if the obligation does not by reason of any act, matter or thing at any time hereafter become or be forfeit under the *Private Career Colleges Ac, 2005* (the "Act") and the regulations made under the Act, then the obligation shall be void but otherwise shall be and remain in full force and effect and shall be subject to forfeiture as provided by the Act and regulations.

SIGNED, SEALED AND DELIVERED
in the presence of

Principal

.....

Surety



ATTACHMENT "B"

STANDARD FORM WORDING FOR IRREVOCABLE LETTER OF CREDIT

PROPOSED AS FINANCIAL SECURITY

PURSUANT TO ONTARIO REGULATION 414/06, AS MADE UNDER THE *PRIVATE CAREER COLLEGES ACT, 2005*

Name of Issuer:

Date of Issue:

Issuer's Reference Number:

Expiry Date:

Customer: [insert legal & operating name (if any) of registered private career college and list all campuses]

Beneficiary:

The Crown in Right of Ontario
as represented by the Superintendent of Private Career Colleges
900 Bay Street,
10th Floor, Mowat Block
Toronto, Ontario, M7A 1L2

Amount:

RE: OUR IRREVOCABLE LETTER OF CREDIT NO:

The Issuer ("we") hereby issue in favour of the Beneficiary ("you") our Irrevocable Letter of Credit No: [insert number] for an aggregate amount of up to [insert amount] in lawful money of Canada covering: Security pursuant to the *Private Career Colleges Act, 2005*, S.O. 2005, c. 28, Schedule "L" (the "Act") and regulations made under the Act, to be available to you in accordance with the terms of this Letter of Credit.



MINISTRY OF TRAINING, COLLEGES AND UNIVERSITIES

1. We hereby irrevocably authorize you to draw on this Letter of Credit by forwarding a written demand for payment at sight under the signature of the Superintendent of Private Career Colleges or any of his/her successors to **[Insert name and address of Issuer]** making reference to the number of this Letter of Credit.
2. Any payment made under this Letter of Credit shall be made in immediately available funds in the lawful money of Canada payable to the Ontario Minister of Finance. We shall honour your demand for payment no later than the second business day following receipt of the written demand for payment at the address of the Issuer described above.
3. We will honour your demand without inquiring as to whether or not you have the right as between yourself and the Customer to make such demand and without recognizing any claims of the Customer or other remedies available to you at any time and from time to time, upon written demand for payment being made upon us.
4. It is a condition of this Letter of Credit that it shall be deemed to be automatically extended without any formal amendment or notice to that effect, from year to year for successive periods of one year each from the present or any future expiry date of this Letter of Credit unless at least sixty (60) days prior to any such present or future expiry date we shall notify you in writing by registered mail or courier delivered to:

Superintendent of Private Career Colleges
Ministry of Training, Colleges and Universities
10th Floor, Mowat Block, 900 Bay Street
Toronto, Ontario M7A 1L2

or any of his/her respective successors that we elect not to consider this Letter of Credit renewed for any such additional period and the Superintendent of Private Career Colleges acknowledges receipt of the notice and the expiry date of this Letter of Credit shall be the date of the Superintendent's acknowledgement.

5. Notwithstanding paragraph 4 of this Letter of Credit and notwithstanding delivery of any notice of non-renewal of this Letter of Credit, we agree that pursuant to the terms of this Letter of Credit, we shall make payment under this Letter of Credit at any time up until the last expiry date as well

as at any time within six months after the last expiry date upon written demand for payment being made upon us.

6. Partial drawings are permitted under this Letter of Credit up to the full amount of this Letter of Credit.
7. This Letter of Credit is transferable in its entirety to any transferee who may succeed you.
8. The amount of this Letter of Credit may be reduced from time to time only by the amount drawn upon it by you or by formal notice in writing received by us from you and over the signature of the Superintendent of Private Career Colleges or any of his/her respective successors that you desire such reduction.
9. A request for any amendment except reduction in amount must be made directly to our Customer who will then instruct us accordingly.
10. We acknowledge and agree with you that this Letter of Credit is irrevocable.
11. This Letter of Credit shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in the Province of Ontario and the courts of the Province of Ontario shall have jurisdiction in all matters relating to this Letter of Credit. We hereby submit to the non-exclusive jurisdiction of the courts of the Province of Ontario.

Unless otherwise specified in this Letter of Credit, this Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits, 1993 Revision, I.C.C. Publication Number 500.

We engage to honour presentations submitted within the terms and conditions indicated above.



ATTACHMENT "C"
PRIVATE CAREER COLLEGES ACT, 2005

S.O. 2005, CHAPTER 28, Schedule L

PERSONAL BOND

Bond No. Amount \$.....

I [insert legal & operating name (if any) of registered private career college and list all campuses] (the "Obligor") am held and firmly bound unto Her Majesty in right of Ontario (the "Obligee") in the sum of Dollars (\$.....) of lawful money of Canada, to be paid to the Obligee, her successors and assigns, for which payment to be made, I [name of Obligor] bind myself, my heirs, executors, administrators and assigns, and I deposit with the Obligee as collateral security to this Bond.

The total liability imposed upon the Obligor by this Bond and any and all renewals of this Bond shall be concurrent and not cumulative and shall in no event exceed the penal sum written above or the amount substituted for such penal sum by any subsequent endorsement or renewal certificate.

THE CONDITION of the above obligation is such that if the obligation does not by reason of any act, matter or thing at any time hereafter become or be forfeit under the *Private Career Colleges Act, 2005* (the "Act") and the regulations made under the Act, then the obligation shall be void but otherwise shall be and remain in full force and effect and shall be subject to forfeiture as provided by the Act and regulations.

Dated this day of, 20

Witness Obligor

Witness Information for Personal Bond under PCCA	
First Name:	
Last Name:	
Occupation: <i>(must be from the list of approved occupations)</i>	
Address:	
Telephone:	
In regards to PCC Name:	



ATTACHMENT "D"

PRIVATE CAREER COLLEGES ACT, 2005
S.O. 2005, CHAPTER 28, Schedule L

PERSONAL BOND - Asset of Private Career College

Bond No. [For Ministry use, do not fill here] Amount \$30,000

I <Obligor Name> ABC Inc. o/a XYZ College of Technology (Toronto) and XYZ College of Technology (Ottawa) (the "Obligor") am held bound to Her Majesty in right of Ontario (the "Obligee") in the sum of <Amount of the bond> thirty thousand Dollars (\$30,000) of lawful money of Canada, to be paid to the Obligee, her successors and assigns, for which payment to be made, I ABC Inc. o/a XYZ College of Technology (Toronto) and XYZ College of Technology (Ottawa) bind myself, my heirs, executors, administrators and assigns, and I deposit with the Obligee <Description of the security> Government of Canada 4.25% Bond maturing on December 1, 2007 in the amount of \$20,000 and Province of Ontario 3.5% Bond maturing on February 1, 2008 in the amount of \$10,000 (NatCan Trust Reference T999) as collateral security to this Bond.

The total liability imposed upon the Obligor by this Bond and any and all renewals of this Bond shall be concurrent and not cumulative and shall in no event exceed the penal sum written above or the amount substituted for such penal sum by any subsequent endorsement or renewal certificate.

THE CONDITION of the above obligation is such that if the obligation does not by reason of any act, matter or thing at any time hereafter become or be forfeit under the Private Career Colleges Act, 2005 (the "Act") and the regulations made under the Act, then the obligation shall be void but otherwise shall be and remain in full force and effect and shall be subject to forfeiture as provided by the Act and regulations.

Dated this 10th day of December, 2006

Witness
Frank Small, MD

Obligor
John Smith, Principal
ABC Inc. o/a XYZ College of Technology (Toronto) and XYZ College of Technology (Ottawa)

SAMPLE 1

SAMPLE 1

Table with 2 columns: Field Name and Value. Fields include First Name, Last Name, Occupation, Address, Telephone, and In regards to PCC Name.



PRIVATE CAREER COLLEGES ACT, 2005

S.O. 2005, CHAPTER 28, Schedule L

PERSONAL BOND – Asset of Individual

Bond No. [For Ministry use, do not fill here]

Amount \$30,000

I <Obligor Name> John Smith of ABC Inc. o/a XYZ College of Technology (Toronto) and XYZ College of Technology (Ottawa) (the "Obligor") am held bound to Her Majesty in right of Ontario (the "Obligee") in the sum of <Amount of the bond> thirty thousand Dollars (\$30,000) of lawful money of Canada, to be paid to the Obligee, her successors and assigns, for which payment to be made, I John Smith of ABC Inc. o/a XYZ College of Technology (Toronto) and XYZ College of Technology (Ottawa) bind myself, my heirs, executors, administrators and assigns, and I deposit with the Obligee <Description of the security> Government of Canada 4.25% Bond maturing on December 1, 2007 in the amount of \$20,000 and Province of Ontario 3.5% Bond maturing on February 1, 2008 in the amount of \$10,000 (NatCan Trust Reference T999) as collateral security to this Bond.

The total liability imposed upon the Obligor by this Bond and any and all renewals of this Bond shall be concurrent and not cumulative and shall in no event exceed the penal sum written above or the amount substituted for such penal sum by any subsequent endorsement or renewal certificate.

THE CONDITION of the above obligation is such that if the obligation does not by reason of any act, matter or thing at any time hereafter become or be forfeit under the Private Career Colleges Act, 2005 (the "Act") and the regulations made under the Act, then the obligation shall be void but otherwise shall be and remain in full force and effect and shall be subject to forfeiture as provided by the Act and regulations.

Dated this 10th day of December, 2006

Witness
Frank Small, MD

Obligor
John Smith, Principal
ABC Inc. o/a XYZ College of Technology
(Toronto) and XYZ College of
Technology (Ottawa)

SAMPLE 2

SAMPLE 2

Table with 2 columns: Field Name and Value. Fields include First Name, Last Name, Occupation, Address, Telephone, and In regards to PCC Name.



This document is provided for your information and convenience only. It is not a legal document. For further information and the exact wording please refer to the *Private Career Colleges Act, 2005* and regulations.

Need More Information?

If you have questions about the *Private Career Colleges Act, 2005*, call the Ministry of Training, Colleges and Universities at:

Ministry of Training, Colleges and Universities
10th Floor Mowat Block
900 Bay Street
Toronto, ON M7A1L2

Telephone: (416) 314-0500 or 1-866-330-3395
Fax: (416) 314-0499

OR

Visit our website at: www.edu.gov.on.ca/eng/general/private.html

The full text of the act and regulations can also be downloaded from the Ontario government E-Laws website at:

www.e-laws.gov.on.ca