

SURETY BOND

SURETY BOND, given by _____, as Principal, and _____, as Surety, a _____ corporation having a currently effective certificate of authority to transact a surety business in the State of _____.

BACKGROUND

The Principal is in need of and has made application to _____, hereinafter referred to as "Company", of _____, for utility service. Company, pursuant to its rules and regulations has required the Principal, as security for the payment of the utility charges, to deposit in cash and amount fixed by Company or in lieu thereof, to post a suitable surety bond in Company's favor in a like amount. The Principal has elected to furnish, in lieu of a cash deposit, this bond in the amount stated herein.

NOW, THEREFORE, the Principal and the Surety jointly and severally bind themselves, their successors, assigns and legal representatives to Company in the sum of _____ DOLLARS (\$ _____).

This bond is subject to the following provisions:

- 1. If the Principal shall promptly pay all indebtedness incurred as a result of the utility service provided by Company at Company at any time from the commencement of such services until such services until such service is terminated and such termination request be made in writing to Company by certified or registered mail at any and all service locations whatsoever, then this obligation shall be null and void; otherwise it shall remain in full force and effect.
- 2. The liability of the Surety under this bond for all defaults and obligations of the Principal shall not exceed the total of the total of the penal sum of the bond hereinabove set out plus any costs and expenses incurred by Company in enforcing its rights under this Surety Bond.
- 3. If the Principal has incurred indebtedness to Company for the utility service provided prior to the date of this execution of this bond, the liability of the Surety under this bond for all defaults and obligations of the Principal shall be retroactive to the date of commencement of such service.
- 4. In all cases, it shall be the duty of the Principal to give fifteen (15) days written notice of termination of the utility service and such request for termination of the service shall be in writing and delivered to Company by certified or registered mail. It is expressly understood and agreed by all parties that both the Principal and Surety shall remain liable for any utility service provided and any and all payments for bills representing such utility usage, until the above stated requirements have been satisfied.
- 5. In addition to all other amounts payable hereunder, the Surety shall pay all costs and expenses including attorneys' fees incurred by Company in enforcing its rights under this Surety Bond, including those costs, expenses, and attorneys' fees incurred by Company in any appellate proceedings.
- 6. The liability of the Surety under this bond shall not be discharged or affected by an extension of time granted to the Principal for the satisfaction of any indebtedness incurred as a result of the utility service provided by Company.
- 7. The Surety reserves the right to cancel the bond by giving thirty (30) day notice in writing to Company. The notice of cancellation shall be deemed to be effective only when received by Company and delivered in the manner set forth below. Upon receipt of the cancellation notice the Surety is discharged and released of any further liability, it being understood and agreed, however, that the Principal and Surety will be liable for any loss accruing up to the effective date of the notice, in no event however, excess of the penalty of this bond.

8. The cancellation notice shall be deemed to have been duly given if delivered registered or certified mail addressed to Company.

9. The term of this bond will be from the _____ day of _____, _____ and continuous until cancelled under the provisions of paragraph (7) above.

IN WITNESS WHEREOF, we the Principal and Surety, have hereunto set our hands and seals this _____ day of _____, _____

ATTEST:

(Principal)

By: _____

(Surety)

By: _____
_____, Attorney-in-Fact
