

BOND NUMBER: _____

SURETY BOND (for electric service)

KNOW ALL MEN BY THESE PRESENTS: That we _____, hereinafter called "Principal," and _____ a corporation organized and existing under the laws of the State of _____, authorized to transact surety business in the State of Arizona, hereinafter called "Surety," are hereby jointly and severally held and firmly bound unto Arizona Public Service Company, an Arizona corporation with its principal place of business in Phoenix, Arizona, hereinafter called "Obligee," in the sum of _____ lawful money of the United States of America, to be paid to said Obligee, its successors or assigns, for which payment, well and truly to be made, we bind ourselves and our respective heirs, executors, administrators successors and assigns, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH, THAT, WHEREAS, Principal desires to make provision for electric service under Obligee's approved rates to all sites in the state of Arizona billed to the Principal and desires to provide this Surety Bond as security in lieu of cash deposits required by Obligee,

NOW THEREFORE, if Principal shall fail to fully pay Obligee for electric service (and all related charges) furnished and delivered in Principal's name at any and all premises, when finally due, Surety agrees to deliver payment to Obligee within thirty (30) days of receipt of the demand for payment by Obligee as follows:

1. If in the sole opinion of Obligee, Principal does not pay all service charges as billed and when due, then Obligee may provide written notice of such delinquency to Principal and may at its sole option and at any time provide such notice to Surety. Said notice to Surety shall constitute a claim against the obligation of Surety as set forth hereinabove, and shall create an obligation and liability on the part of Surety to make payment to Obligee of the sum designated in said notice within thirty (30) days of the mailing thereof.

2. Surety may cancel this Bond by written notice served by certified or registered mail, return receipt requested, to Arizona Public Service Company, Station 3209, P.O. Box 53933, Phoenix, Arizona 85072-3933, specifying the effective date of said cancellation, which in no event shall be less than sixty (60) days after receipt of said notice by Obligee. Such termination shall not avoid claims against Surety made pursuant to Paragraph 1 or 2 before the termination date. If Surety serves notice of cancellation as provided in this Paragraph, Principal agrees, upon request of Obligee, to provide replacement security in an amount and form acceptable to Obligee. If such replacement security is not provided at least twenty (20) days before the effective date of cancellation, Obligee may terminate electric service to Principal, and Principal shall have no claim against Obligee therefor.

3. If suit is brought to recover on this Bond, then Principal and Surety jointly and severally agree to pay Obligee, or its successors in interest, if any, a reasonable attorney's fee, in addition to any other sums recovered by Obligee. However, the total obligation of Surety shall not exceed the sum stated above.

4. Any alteration to the terms of any contract or agreement, or any extension of time for the payment of any sums due hereunder, or any other forbearance on the part of either Principal or Obligee to the other, or the voluntary or involuntary filing of a petition in bankruptcy by Principal, shall not in any way release Principal and Surety, or either of them, their successors and assigns, from their liability hereunder. Notice to Surety of any such alteration, extension or forbearance is hereby waived.

IN WITNESS WHEREOF, Principal has hereunto set his hand, and Surety has caused its corporate name and seal to be hereunto affixed and this instrument to be executed by its duly authorized Attorney-in-Fact at

_____, this _____ day of _____

All inquiries or claims to Surety should be directed to:

ADDRESS
PHONE NUMBER

(Principal Signature) _____

BY: _____
PRINTED NAME & TITLE

(Surety) _____

BY: _____
ATTORNEY-IN-FACT

ORIGINATING APS OFFICE BCCC	APS REPRESENTATIVE Nancy M.
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