

INDEMNITY BOND FOR ELECTRIC SERVICE FURNISHED

Clay Electric Cooperative, Inc.

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS:

That _____, as Principal, and _____, a corporation organized and existing under the laws of the State of _____, and duly authorized to conduct and carry on a general surety business in the State of Florida, as Surety, are each held and firmly bound unto CLAY ELECTRIC COOPERATIVE, INC., a Florida corporation, as Obligee, in the full just sum of _____ (\$ _____) Dollars, lawful money of the United States of America, for the payment whereof well and truly to be made the said Principal and Surety hereby bind themselves, their respective heirs, Legal representatives, successors and assigns, jointly and severally, firmly by these presents,

WHEREAS, the principal has applied to CLAY ELECTRIC COOPERATIVE, INC., for electric service; and

WHEREAS, under the rules and regulations of CLAY ELECTRIC COOPERATIVE, INC., it is necessary for the Principal to furnish security for the prompt payment of electric bills for electric service furnished and supplied to the Principal by the Obligee; and

WHEREAS, the Principal desires to post this bond in lieu of a cash deposit as security for the payment of said electric bills,

NOW, THEREFORE, the condition of this obligation is such that if the said Principal shall well and faithfully perform the obligations herein recited and shall promptly pay all bills rendered by CLAY ELECTRIC COOPERATIVE, INC., to said Principal for electric service as provided by this bond and the rules and regulations of CLAY ELECTRIC COOPERATIVE, INC., then these obligations shall be null and void, otherwise to remain in full force and effect, and the Surety herein agrees to pay within ten (10) days after written demand for payment by CLAY ELECTRIC COOPERATIVE, INC., any delinquent electric bills rendered by CLAY ELECTRIC COOPERATIVE, INC., to the Principal herein if such bills are not paid by said Principal within fifteen (15) days from the date of said bill.

THIS BOND IS ISSUED AND EXECUTED SUBJECT TO THE FOLLOWING CONDITIONS:

1. This bond may not be terminated by the Surety for any reason within three years from the date hereof. In the event of cancellation after three years from the date hereof, both the Principal and Surety shall remain liable for any loss accruing up to the effective date of cancellation within the limits of this bond. In the event the Surety wishes to cancel this bond after three years, it shall give at least sixty (60) days notice to CLAY ELECTRIC COOPERATIVE, INC., before such cancellation shall be effective.
2. CLAY ELECTRIC COOPERATIVE, INC., specifically reserves the right to require additional deposits on bonds from the principal at any time as a condition of confused service in the event two consecutive monthly electric bills rendered to the Principal should exceed the Principal amount of this bond.
3. This bond is effective as of the date hereof and shall remain in force hereafter unless terminated by the Surety as set forth above or by agreement.
4. This Principal and Surety both agree that in the event the Principal fails to promptly and fully pay to CLAY ELECTRIC COOPERATIVE, INC., all charges for the electric services, CLAY ELECTRIC COOPERATIVE, INC., may immediately terminate such electric service irrespective of this bond.

IN WITNESS WHEREOF, the said Principal and the surety have duly executed or caused to be executed this bond the _____ day of _____, AD
_____.

Signed, sealed and delivered in the presents of:

As to Principal

Principal

By: _____

As to Surety

By: _____

Surety

Attorney-in-Fact