Surety Bond Form

Salt River Project
Customer Credit Services

Description and Use

The Surety Bond form is used by Customer Credit Services at Salt River Project (SRP) as an approved method of financial assurance in accordance with SRP's Credit Policy and Terms of Service.

SRP's Credit Policy requires the evaluation of a customer's creditworthiness when establishing or continuing electric and water service. When a customer does not meet standard credit requirements, or when potential financial exposure is elevated, SRP may require additional security to protect against unpaid balances.

Areas Completed by Surety Company

Customer Credit Services – Mailstop PAB21T
1667 N. Priest Drive, Tempe, AZ 85288-1231
PO Box 52025, Phoenix, AZ 85072-2025
(602) 236-9622

Bond Number ____

Bond Amount ____

SURETY BOND

This Surety Bond is given by ____of________________________________ ________________________________as Principal, and____, a corporation duly incorporated under the laws of the State of______________and duly licensed to transact a surety business in the State of Arizona, as a Surety, to Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona, as Obligee.

WHEREAS, Obligee currently provides, has been asked to provide or may be asked to provide electric utility and related services to Principal from time to time at one or more locations within SRP's service territory ("***Services***"); and

WHEREAS, Obligee, pursuant to its published Rules and Regulations, has required Principal to provide security for the payment of any currently outstanding charges or future charges with respect to such Services.

NOW, THEREFORE, in consideration of the premises and other consideration, the receipt and sufficiency of which are hereby acknowledged, Principal and Surety hereby agree as follows for the benefit of Obligee:

1. Principal and Surety are bound to Obligee in the sum of ____dollars ($__________), lawful money of United States of America (the "***Bond Amount***"), for the payment whereof Principal and Surety jointly and severally bind themselves, their successors, assigns and legal representatives (the "***Surety Obligation***").

2. If Principal fully performs its obligations pursuant to Obligee's published Rules and Regulations, as they may be amended by Obligee from time to ... by Obligee or its successor in interest, if any, to or for the benefit of Principal within Obligee's ... ulting from Principal's breach of any part of its duties to Obligee pursuant to the Rules and ... "), the Surety Obligation shall be void, otherwise, it shall remain in full force and effect, subject ...

SRP Legal Customer Name - Please call SRP Customer Credit Services at 602-236-9622 for legal name.

3. ... ges and agrees that Obligee may make mult... amount. To the extent that the Surety Ob... partial payments under this Surety Bond, Principal acknowledges and agrees that Obligee may require additional ... currently outstanding charges or future charges with respect to the Services.

Must Match Exactly

4. Principal and Surety jointly and severally agree that if at any time Principal's payment, or any part thereof, of Principal's Obligations to Obligee is rescinded or must otherwise be restored or returned for any reason whatsoever (including, but not limited to, insolvency, bankruptcy or reorganization), then the Surety Obligation shall, to the extent of the payment rescinded or returned, be deemed to have continued in existence, notwithstanding such previous payment, and the Surety Obligation shall continue to be effective or be reinstated, as the case may be, as to such payment, all as though such previous payment had never been made.

5. Should suit be brought to recover on this Surety Bond to enforce any of Principal's Obligations to Obligee, then Principal and Surety jointly and severally agree to pay to Obligee, or its successor in Interest, if any, reasonable attorney's fees, as determined by the court, in addition to any other sums recovered by Obligee.

6. To terminate its obligation pursuant to this Surety Bond, Surety must give Obligee at least thirty (30) days' prior written notice by certified mail addressed to: SRP, Customer Credit Services - PAB21T, 1667 N. Priest Drive, Tempe, Arizona 85288-1231. Such notice shall not affect this Surety Bond in respect to any of Principal's Obligations to Obligee that may have accrued at any time prior to the expiration of such notice period.

7. Any deviations from, additions to, or modifications in Principal's Obligations to Obligee or any extensions of time for the payment of any sums due thereunder, or any forbearance on the part of either Principal or Obligee to the other, shall in no way release Principal and Surety, or either of them, from ... aives notice of any such deviation, addition, modification, extension or forbearance.

8. ... nd should be determined to be illegal or unenforceable by a court of competent jurisdiction, such determination shal... ty Bond, and all other provisions shall remain in full force and effect.

Surety Attorney Signature

9. This Surety Bond shall be interpreted in accordance with the laws of the State of Arizona. Any action for enforcement shall be taken in a state or federal court, as appropriate, located in Maricopa County, Arizona. To the fullest extent permitted by law, Surety and Principal each hereby irrevocably waives (i) any and all suretyship defenses and defenses in the nature thereof, including, without limitation, the benefits of the provisions of Arizona Revised Statutes Sections 12-1641, et seq., and 44-142, Rule 17(f) of the Arizona Rules of Civil Procedure ("Actions against surety"), any successor statutes, and any other suretyship defenses a... nd all rights to a trial by jury, and covenants and agrees that it will not request a trial by jury, with respect to any legal ... this Surety Bond.

Surety Agent Signature

10. This Surety Bond shall be ... r successors, assigns and legal representatives.

11. Surety represents and warrants to Obligee that Surety has an A.M. Best rating of B+ or higher.

IN WITNESS WHEREOF, Principal and Surety have executed this Bond at ____ on______________________, 20 _______.

SURETY ________________________________

By ________________________________
(Attorney-in-Fact)

Agent ________________________________

Representing ________________________________

Surety: ________________________________

Address: ________________________________
____

Telephone: ________________________________

Producer Name: ________________________________

PRINCIPAL ________________________________

By ________________________________

Principle Representative Signature

ALL PROVISIONS OF THIS BOND FORM MUST BE SATISFIED BY ANY BOND FORM SUBSTITUTED BY A SURETY COMPANY OR PRINCIPAL

Optional Surety Seal

Customer Credit Services – Mailstop PAB21T
1667 N Priest Dr, Tempe, AZ 85288-1231 | PO Box 52025, Phoenix, AZ 85072-2025 | Phone: (602) 236-9622

Bond Number____ **Bond Amount**____________________________________

SURETY BOND

This Surety Bond is given by____of_______________________________ ________________________________as Principal, and ____________________________________, a corporation duly incorporated under the laws of the State of ______________and duly licensed to transact a surety business in the State of Arizona, as a Surety, to Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona, as Obligee.

WHEREAS, Obligee currently provides, has been asked to provide or may be asked to provide electric utility and related services to Principal from time to time at one or more locations within SRP's service territory ("***Services***"); and

WHEREAS, Obligee, pursuant to its published Rules and Regulations, has required Principal to provide security for the payment of any currently outstanding charges or future charges with respect to such Services.

NOW, THEREFORE, in consideration of the premises and other consideration, the receipt and sufficiency of which are hereby acknowledged, Principal and Surety hereby agree as follows for the benefit of Obligee:

1. Principal and Surety are bound to Obligee in the sum of ____ dollars ($ ______________), lawful money of United States of America (the "***Bond Amount***"), for the payment whereof Principal and Surety jointly and severally bind themselves, their successors, assigns and legal representatives (the "***Surety Obligation***").

2. If Principal fully performs its obligations pursuant to Obligee's published Rules and Regulations, as they may be amended by Obligee from time to time, pays for all Services heretofore or hereafter delivered by Obligee or its successor in interest, if any, to or for the benefit of Principal within Obligee's service territory and indemnifies Obligee against any loss resulting from Principal's breach of any part of its duties to Obligee pursuant to the Rules and Regulations (collectively "***Principal's Obligations to Obligee***"), the Surety Obligation shall be void; otherwise, it shall remain in full force and effect, subject only to the other provisions of this Surety Bond.

3. In the event Principal fails to perform Principal's Obligations to Obligee (a "Principal Default"), Obligee shall provide Surety with written notice to Surety at Surety's address listed below, which notice state that a Principal Default has occurred and shall set forth the amount claimed under this Surety Bond (a "Default Notice"). Surety may change its notice information by giving Obligee at least 10 days' prior written notice. The amount due and owning, up to the Bond Amount, set forth a Default Notice will be paid by Surety to Obligee within [_________] days of Surety's receipt of a Default Notice.

4. Principal and Surety each acknowledges and agrees that Obligee may make multiple claims under this Surety Bond provided that the aggregate amount of such claims shall not exceed the Bond Amount. To the extent that the Surety Obligation is reduced as a result of one or more partial payments under this Surety Bond, Principal acknowledges and agrees that Obligee may require additional security for the payment of any currently outstanding charges or future charges with respect to the Services.

5. Principal and Surety jointly and severally agree that if at any time Principal's payment, or any part thereof, of Principal's Obligations to Obligee is rescinded or must otherwise be restored or returned for any reason whatsoever (including, but not limited to, insolvency, bankruptcy or reorganization), then the Surety Obligation shall, to the extent of the payment rescinded or returned, be deemed to have continued in existence, notwithstanding such previous payment, and the Surety Obligation shall continue to be effective or be reinstated, as the case may be, as to such payment, all as though such previous payment had never been made.

6. Should suit be brought to recover on this Surety Bond to enforce any of Principal's Obligations to Obligee, then Principal and Surety jointly and severally agree to pay to Obligee, or its successor in Interest, if any, reasonable attorney's fees, as determined by the court, in addition to any other sums recovered by Obligee.

7. To terminate its obligation pursuant to this Surety Bond, Surety must give Obligee at least thirty (30) days' prior written notice by certified mail addressed to: SRP, Customer Credit Department - PAB21T, 1667 N. Priest Drive, Tempe, Arizona 85288-1231. Such notice shall not affect this Surety Bond in respect to any of Principal's Obligations to Obligee that may have accrued at any time prior to the expiration of such notice period.

8. Any deviations from, additions to, or modifications in Principal's Obligations to Obligee or any extensions of time for the payment of any sums due thereunder, or any forbearance on the part of either Principal or Obligee to the other, shall in no way release Principal and Surety, or either of them, from liability under this Surety Bond. Surety waives notice of any such deviation, addition, modification, extension or forbearance.

9. If any of the provisions of this Surety Bond should be determined to be illegal or unenforceable by a court of competent jurisdiction, such determination shall not affect any other provision of this Surety Bond, and all other provisions shall remain in full force and effect.

10. This Surety Bond shall be interpreted in accordance with the laws of the State of Arizona. Any action for enforcement shall be taken in a state or federal court, as appropriate, located in Maricopa County, Arizona. To the fullest extent permitted by law, Surety and Principal each hereby irrevocably waives (i) any and all suretyship defenses and defenses in the nature thereof, including, without limitation, the benefits of the provisions of Arizona Revised Statutes Sections 12-1641, et seq., and 44-142, Rule 17(f) of the Arizona Rules of Civil Procedure ("Actions against surety"), any successor statutes, and any other suretyship defenses and laws of similar import; and (ii) any and all rights to a trial by jury, and covenants and agrees that it will not request a trial by jury, with respect to any legal proceeding arising out of or relating to this Surety Bond.

11. This Surety Bond shall be binding on Surety and Principal and their successors, assigns and legal representatives.

12. Surety represents and warrants to Obligee that Surety has an A.M. Best rating of B+ or higher.

IN WITNESS WHEREOF, Principal and Surety have executed this Bond at ____ on ____________________, 20_____.

SURETY ____________________________________
By ____________________________________
(Attorney-in-Fact)

Agent ____________________________________
Representing ____________________________________
Surety: ____________________________________
Address: ____________________________________
____
Telephone: ____________________________________
Producer Name: ____________________________________

PRINCIPAL ____________________________________
By ____________________________________

ALL PROVISIONS OF THIS BOND FORM MUST BE SATISFIED ANY BOND FORM SUBSTITUTED BY A SURETY COMPANY OR PRINCIPAL