

INDEMNITY BOND FOR

**CITY OF BESSEMER
DOING BUSINESS AS
BESSEMER UTILITIES
BESSEMER ELECTRIC SERVICE
BESSEMER WATER SERVICE**

FURNISHED BY THE CITY OF BESSEMER

KNOW ALL MEN BY THESE PRESENTS, that, _____
_____, as principals, 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 Alabama, as surety, are each held and firmly bound unto the CITY OF BESSEMER
UTILITIES DEPARTMENT, as obligee, in the full and 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 the said 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 BESSEMER UTILITIES for utility service; and

WHEREAS, under the rules and regulations of the Alabama Public Service Commission, 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 desire to post this bond in lieu of a cash deposit as security for
the payment of utility bills,

NOW, THEREFORE, the condition of this obligation is such that if the said principal shall
well and faithfully perform the obligation herein recited and shall promptly pay all bills
rendered by the obligee to said principal for utility service as provided in this bond and the
rules and regulations of the Alabama Public Service Commission, then the above obligation
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 the obligee, any delinquent
utility bills are not paid by said principal within fifteen (15) days from the date of said bills.

THIS BOND IS SUBJECT TO THE FOLLOWING CONDITIONS:

1. That the surety company reserves the right to cancel this bond by giving thirty (30)
days written notice to the obligee addressed to the CITY OF BESSEMER UTILITIES
DEPARTMENT, P. O. BOX 1246, BESSEMER, AL 35021 on the effective date of such

thirty day cancellation notice, the surety is discharged and relieved of any liability, it being understood and agreed, however, that the said principal and surety will be liable for any loss accruing up to the effective date of said thirty day cancellation notice, in no event, however, in excess of the penalty of this bond.

2. That it is expressly understood by the principal and surety herein that the obligee may, by giving fifteen (15) days written notice, cancel this bond or require an endorsement hereon increasing the penal amount provided in this bond so that the said penal amount shall be equal to at least two times the amount of the highest monthly utility bill rendered by the obligee.
3. This bond shall be effective from and after the _____ day of _____, _____, and shall remain in force until cancelled as aforesaid or until released in writing by the obligee.

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

FOR THE PRINCIPAL

Signed, sealed and delivered
In the presence of:

_____ (SEAL)

As to Principal By: _____

FOR THE SURETY

By: _____
As to Surety It's Attorney-in-fact