

**INDEMNITY BOND FOR ELECTRIC SERVICE FURNISHED
BY THE ELECTRIC POWER BOARD OF CHATTANOOGA
CHATTANOOGA, TENNESSEE**

This Indemnity Bond is made and entered into as of the ____ day of _____ by and among _____, as Principal, _____, as Surety, and the Electric Power Board of Chattanooga, as Obligee,

Principal has applied to Obligee for electric service.

Under the rules and regulations of the Obligee, 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:

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

Surety is 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 Tennessee.

Principal and Surety, by this executing this Indemnity Bond, bind themselves, their respective heirs, legal representatives, successors, and assigns, jointly and severally, to Obligee in the amount of _____ dollars (_____).

If Principal shall perform all of its obligations and promptly pay all bills rendered by the Electric Power Board Of Chattanooga for electric service as provided by this Indemnity Bond, and the rules and regulations of the Electric Power Board Of Chattanooga, then the obligations of Surety hereunder shall be null and void.

If and in the event, Obligee shall fail to receive any payment when due from Principal, Surety shall immediately pay to the Obligee, in lawful money of the United States of America, an amount equal to the required payment.

Surety agrees to pay all reasonable, out-of-pocket costs, expenses and fees, including all reasonable attorneys' fees, which are incurred by Obligee in enforcing or attempting to enforce this Indemnity Bond or protecting the rights of Obligee hereunder following any default on the part of the Principal, whether the agreement shall be enforced by suit or otherwise.

The parties to this agreement acknowledge and understand that:

1. Surety reserves the right to cancel this Indemnity Bond by giving thirty (30) days written notice to the Obligee.

2. On the effective date of such thirty (30) day cancellation notice, the Surety is discharged and relieved of any liability to Obligee on behalf of Principal.

3. Upon cancellation of this Indemnity Bond, Principal and Surety will be liable to Obligee for any loss accruing up to the effective date of said thirty (30) day cancellation notice.

4. This Indemnity Bond shall be effective from and after _____ and shall remain in force until cancelled as provided in paragraph 1 above, or until released in writing by the Obligee.

IN WITNESS WHEREOF, Principal and Surety have duly executed or caused to be executed this Indemnity Bond as of the date above first written.

WITNESS TO PRINCIPAL

PRINCIPAL

SURETY

By: _____
Its: _____

WITNESS TO SURETY

Surety's Local Agent's Name: _____

Address: _____

Telephone: _____

BOND NUMBER: _____