



State of Texas
County of _____

Bond Number _____

SURETY AGREEMENT AND BOND

KNOW ALL MEN BY THESE PRESENTS: That _____, as Principal and, _____, as Surety, hereby acknowledge ourselves to be jointly and severally bound unto TXU Energy Retail Company LLC (hereinafter referred to as the "Company"), in the sum of _____ DOLLARS, lawful money of the United States of America, to be paid to the Company, its successors and assigns, for the payment of which sum, well and truly be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, all jointly and severally, by these presents.

WHEREAS, the condition of this obligation is such that the Principal desires to take for and/or continue to take and pay for electric service from the Company, at one or more locations, including future locations, in the same type and class of service (hereinafter referred to as the "Locations"), which service the Principal has requested that the Company render to these locations; and

WHEREAS, as a condition precedent to the commencement and/or continuation of such service, the Principal agrees to furnish the Company with a surety bond, issued by the said Surety in an amount equal to the cash deposit on these Locations which the Company would require if such surety bond were not furnished, for the purpose of establishing credit and securing the payment of any and all bills for electric service rendered to the Locations. This bond may be applied to any electric account at any location (for the same type and class of service) under which the Principal has an obligation to make payments to the Company; and

WHEREAS, the Principal agrees to pay any and all sums due the Company pursuant to its lawful applicable rates and to otherwise comply with such lawful rates; and

WHEREAS, the Principal agrees to furnish the Company a copy of the Surety Agreement and Bond, duly executed by a credit worthy Surety, for the purpose of securing, to the extent of the sum specifically stated above, the payment of any and all amounts due to the Company under any current and future obligations of the Principal as are indicated herein;

NOW, THEREFORE, if the Company receives payment for all amounts due as indicated herein, and if the Principal otherwise complies with the agreement, then the obligation of the Surety shall be void; otherwise it is to remain in effect, unless terminated in accordance with the provisions herein.

In the event of breach by the Principal of any of its foregoing obligations to the Company, the Surety, to the extent of the amount specifically stated herein, holds itself bound as Principal hereunder, to all amounts due, waiving all defenses with respect to notice of default of payment, extension of time of payment, changes in the terms of the obligation between the Company and the Principal, demand and diligence, waiving communication and notice of acceptance hereof, and waiving any obligation on the part of the Company to institute legal action against the Principal or to join the Principal in any action against the Surety. Should it be necessary for the Company to file suit in order to enforce its rights hereunder, the Surety agrees to pay the Company's reasonable attorneys' fees, prejudgment and post judgment interest at the highest lawful rate, and costs of court. The Surety hereby agrees to pay the Company, within 15 days of written notice by the Company to the Surety, the amount owed to the Company by the Principal, to the extent of the amount specifically stated herein.



The obligations of the Surety, pursuant to the terms of this Surety Agreement and Bond, shall be self renewing and open-ended from the date of execution below, provided however, the obligation of the Surety herein may be terminated sixty (60) days after receipt by the Principal and the Company of the Surety's written notice of cancellation, but not sooner. Notice is to be sent by registered mail, addressed to TXU Energy Retail Company LLC, Attn: Credit and Collections, P.O. Box 650764, Dallas TX 75265-0764. This surety bond is transferable, in whole or in part, by Company to any of its affiliates. Company shall not be required to obtain Surety's, Principal's or any other party's prior consent, nor provide notice to any party, in order to effect any such transfer. (REP Certificate No. 10004)

Executed this _____ day of _____, _____.

Principal

By: _____

Title

Surety

If Surety is signed for pursuant to a Power of Attorney, please attach a current copy of the Power.

By: _____

Title: _____

Please indicate the address of the Surety to which claims may be made:

Please indicate the name and phone number of a representative to whom questions may be directed:

