



# Rappahannock Electric Cooperative

A Touchstone Energy® Cooperative

## SURETY BOND TO RAPPAHANNOCK ELECTRIC COOPERATIVE

WITNESSETH: This Surety Bond whereby \_\_\_\_\_ of \_\_\_\_\_, as Principal, and \_\_\_\_\_ of \_\_\_\_\_, as Surety, are held and firmly bound jointly and severally unto RAPPAHANNOCK ELECTRIC COOPERATIVE, a Virginia Corporation, as Obligee, in the amount of: \_\_\_\_\_ Dollars (\$\_\_\_\_\_), lawful money of the United States of America, for the payment of which well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors, assigns or other legal representatives, jointly, severally and firmly by these presents.

THE CONDITION of the above obligation is such that:

WHEREAS, The Principal has requested the Obligee to furnish electricity to the Principal at his present location and at such other locations at which service may later be desired; and

WHEREAS, The Principal has promised to pay for such electricity as provided by the Obligee as billed therefor, from time to time, all without the usually required deposit being made by the Principal; and

WHEREAS, The Obligee has agreed to the foregoing on condition that is to be indemnified against any loss or account thereof.

NOW, THEREFORE, in consideration of the foregoing, if Principal shall well and truly pay or cause to be paid to Obligee any and all amounts that may at any time hereafter be due and owing to the Obligee by the Principal for electricity furnished by the Obligee to the Principal at his present or future locations or connections together with all interest, costs and other penalties which may accrue by reason of the furnishing of electricity, then this obligation shall be void; otherwise to remain in full force and effect.

In the event of a failure to perform the conditions of this obligation, the Obligee may bring action, suit or proceeding or otherwise take steps to enforce the obligation of the Surety against any or all sureties either jointly or separately and without joining the Principal or any of the other Sureties in any such action, suit or proceeding. Thereafter, whether judgment is obtained against any Surety or not, successive actions can be brought against the Principal and the other Sureties, and this bond shall remain a continuing obligation on the part of each of such persons until the condition of this bond has been fully performed.

Limited Right of Surety to Terminate. After two years from the inception of this agreement, the payment record of the Principal shall be reviewed by the Obligee; and if slow, late, or delinquent payment has occurred, continuation of the Surety Bond may be required by the Obligee. If the Principal has maintained a satisfactory payment record as solely determined by the Obligee, then the Surety shall have the right to terminate its liability hereunder after two (2) years from the inception of this agreement by giving notice in writing to the Obligee and stating herein the effective date of such termination, which date shall not be less than thirty (30) days after receipt of said notice by the Obligee. Such notice shall not limit or terminate this agreement in respect to any indebtedness, which arises prior to the effective date of such termination by the Surety.

IN WITNESS WHEREOF, the Principal and Surety have executed and delivered this bond  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

PRINCIPAL

Attest: \_\_\_\_\_ (SEAL)

\_\_\_\_\_ (SEAL)

SURETY

Attest: \_\_\_\_\_ (SEAL)

\_\_\_\_\_ (SEAL)

STATE OF \_\_\_\_\_ CITY/COUNTY OF \_\_\_\_\_, to wit:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by \_\_\_\_\_, Principal.

My commission expires \_\_\_\_\_

Registration No.: \_\_\_\_\_

(SEAL) \_\_\_\_\_  
Notary Public

STATE OF \_\_\_\_\_ CITY/COUNTY OF \_\_\_\_\_, to wit:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by \_\_\_\_\_, Surety.

My commission expires \_\_\_\_\_

Registration No.: \_\_\_\_\_

(SEAL) \_\_\_\_\_  
Notary Public