



SURETY BOND FOR PAYMENT OF ELECTRIC POWER BILL

Principal: _____

Name, address and phone

Surety: _____

Name, address and phone and Arizona identity

Bond - Amount of electric service indebtedness payment for which Surety is bound unto and obligated to Obligor:
\$ _____

COVENANTS:

For good and valuable consideration, receipt of which is hereby acknowledged, Surety on behalf of itself, legal representatives, successors and assigns, gives and delivers, together with Principal, to Obligor, Mohave Electric Cooperative, Inc. (Mohave Electric), P. O. Box 1045, Bullhead City, Arizona, this Bond and agrees to be held and bound for payment thereunder unto Obligor as follows:

1. In Lieu of Deposit: In accord with the contract therefore, Principal wishes to become or remain an electric customer of Obligor and intends hereby to assure Obligor payment of indebtedness of Principal for electric service by securing from and giving Obligor this undertaking and Bond issued by Surety in the above amount, in lieu of cash deposit in the same amount required by Mohave Electric. Mohave Electric on the faith of the representations of Principal and Surety has agreed in consideration of this Surety Bond to extend electric service.

2. Surety Bound: Principal has contracted with the Surety, who, by virtue of its execution and delivery of this Bond, agrees it is primarily bound to pay to Obligor in accord with the terms hereof the amount of the indebtedness of the Principal for electric service in accord with the contract therefore, if the Principal does not pay.

3. Authorized: Surety covenants, represents and warrants it is duly licensed and authorized to act and transact business in Arizona as a Surety under the laws of the State of Arizona, and it, as Surety hereunder, indebtedness declares itself bound and firmly held to pay to Mohave Electric Cooperative, Inc., Obligor, indebtedness for electrical service in accord with the contract therefore incurred by the Principal in accord with the terms hereof.

4. Duration of Liability: If Principal shall pay when due to the Obligor all indebtedness incurred for electric service for a period of two years (24 months) from the date hereof, then the obligation of the Surety and this Bond shall expire and become null and void, but otherwise it and the obligation of the Surety shall remain in full force and effect.

5. Collection: In the event Principal shall not pay its indebtedness to Obligor for electric service when due, the Obligor, upon any breach of this Bond to make any demand upon or take against Principal before taking against Surety, and consents to become individually liable to Obligor without notice of breach upon notice of the indebtedness and claim hereunder by Obligor to Surety, Surety shall pay Obligor the indebtedness, not to exceed the maximum amount herein set forth. Payment shall be made within fifteen (15) days from Notice and claim. Surety, in consideration of the acceptance by Principal and Obligor of this Bond, waives and renounces all rights it may have under any jurisdictional law to compel.

6. **Aggregate Liability:** The aggregate liability of the Surety shall not exceed the total amount of the Bond except, if the Surety shall fail to timely pay the indebtedness, it shall be liable to Obligee for costs, accruing costs and reasonable attorneys' fees of Obligee, together with damages. This Bond is a continuing obligation, limited by the aggregate liability, but successive recoveries may be had as the Obligee becomes entitled hereto.

7. **Cancellation:** The Surety may cancel this Bond and agreement at any time by giving ninety (90) days prior notice to the Obligee in writing. Surety shall remain and be liable for all indebtedness of the Principal incurred up to and including the cancellation date.

8. **Bankruptcy or Reorganization:** The bankruptcy or reorganization of Principal shall be a default or breach under its contract for electrical service and thereupon Obligee may make demand hereunder upon Surety to perform.

9. **Claims Upon Cancellation:** All suits or claims shall be filed or made against the Surety under this Bond and agreement within six (6) months of the cancellation date.

10. **General Provisions:**

A. **Time of Essence.** Time is of the essence of this Agreement.

B. **Waiver.** No waiver of any default or breach by any of the Parties shall be deemed to be or constitute a waiver of any other or subsequent default or breach.

C. **Binding Effect.** All terms, provisions and conditions hereof shall be binding upon and inure to the benefit of all parties and Obligee hereto and their respective legal representatives, successors and assigns.

D. **Governing Law.** This Agreement and the rights, duties and obligations of the parties hereto shall be governed and construed in accordance with the substantive laws of the State of Arizona.

E. **Construction.** The language in all parts of this agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for nor against any entity. Paragraph headings and captions appearing with this Agreement are for convenient reference only and in no respect define, limit or describe the scope or intent of this Agreement. This document shall not be construed against any entity solely by reason of the preparation of such documents by attorneys for said entity.

F. **Survival.** This Agreement and all representations and warranties herein shall survive and not be merged.

G. **Severability.** It is mutually agreed that in the event any term, covenant or condition is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such term, covenant or condition shall in no way affect any other term, covenant or condition herein contained. Unenforceability of any provision of this Agreement shall not limit or impair the operation or validity of any other provision.

H. **Entire Agreement.** This agreement accurately and completely reflects the mutual understanding as to all matters addressed herein and there exist no agreements or understandings, written or oral, and no expectations which are not specifically set forth herein.

I. **Notice.** All notice, except notice to Principal of amounts due for electric service, provided for herein shall be hand delivered, delivered by couriers (e.g. Federal Express) or sent by certified or registered mail, return receipt requested, addressed at the address designated for each or at such other address as may be designated in writing. Notice shall be deemed completed upon: (i) such hand delivery or courier delivery or (ii) three days after the deposit of same in a letter box or other means provided for the posting of mail, addressed to the party and with the proper amount of postage affixed thereto.

J. Enforcement. In the event of breach, the party in default hereunder shall bear the costs of those who are successful in enforcing this Agreement, including reasonable attorneys' fees, whether or not an action is actually filed.

K. Amendment and Waiver. No amendment or waiver of any provision of this Agreement shall in any event be effective unless the same be in writing and signed by the Parties; and accepted by Obligee and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

L. Each signatory hereto represents and warrants he or she is duly authorized to execute this agreement and intends such representation and warranty be relied upon.

M. To be effective upon execution by Surety as of the _____ day of _____, 19__.

Attest:

Surety (If individuals, all spouses must sign)

Seal.

Name & Signature of Attorney-in-Fact
(Evidence of Which Required)

Principal

Signature

Attest: Secretary (if corporate)

Signature (spouse if individual)

ACCEPTED BY OBLIGEE:

MOHAVE ELECTRIC COOPERATIVE, INC.

Authorized Representative

Surety Bond Application

AGENCY NAME: _____ AGENCY CONTACT: _____
AGENCY PHONE: _____ AGENCY FAX: _____ AGENCY EMAIL: _____
AGENCY ADDRESS: _____ City: _____ State: _____ Zip: _____

CURRENT OR EXPIRING QUOTE WE ARE LOOKING TO BEAT? _____

NAME OF PREVIOUS SURETY COMPANY WRITING THE BOND? _____

SECTION I: BOND APPLIED FOR

Type of Bond: _____ Effective Date: _____ Expiration Date: _____

Type of Company **CORP** ☐ **LLC** ☐ **DBA** ☐ **PARTNERSHIP** ☐ Bond Amount: _____

(Obligee): _____

Obligee Address _____

SECTION II: GENERAL INFORMATION

Applicant's Name: _____ Spouse Name: _____

SS#: _____ Spouse SS#: _____ Home Phone: () _____

Residence Address: _____ City: _____ State: _____ Zip: _____

Business Name: _____

Business Phone: () _____ Business Fax: () _____ E-mail: _____

Business Address: _____ City: _____ State: _____ Zip: _____

Date Business BEGAN under present Individual or Firm Name: _____ BUSINESS TAX ID: _____

HAS ANY COMPANY REFUSED TO ISSUE BONDS FOR ANY PURPOSE? YES ☐ NO ☐ DO YOU HAVE ANY LIENS, CLAIMS OR JUDGMENTS AGAINST YOU? YES ☐ NO ☐

HAS APPLICANT EVER FAILED IN BUSINESS? YES ☐ NO ☐ HAS APPLICANT EVER FILED BANKRUPTCY? YES ☐ NO ☐

IF YES TO ANY, PLEASE EXPLAIN ON A SEPERATE SHEET OF PAPER

SECTION III: ADDITIONAL OWNERS OR PARTNERS AS REQUIRED

NAME: _____ SPOUSE NAME: _____

SS#: _____ SPOUSE SS#: _____ PHONE: _____

HOME ADDRESS: _____ City: _____ State: _____ Zip: _____

PERSONAL FINANCIALS (IF MORE THAN ONE OWNER, EACH HAS TO FILL OUT THIS APPLICATION)

STATEMENT OF ASSETS AND LIABILITIES AS OF

ASSETS		LIABILITIES	
CASH IN BANK		NOTES PAYABLE TO BANKS	
CASH ON HAND		NOTES TO OTHERS (excl. of equipment)	
STOCKS AND BONDS		ACCOUNTS PAYABLE	
ACCOUNTS RECEIVABLE		FEDERAL & STATE INCOME TAX DUE	
NOTES RECEIVABLE		ALL OTHER TAXES	
INVENTORY		ACCRUALS, PAYROLLS, ETC.	
CASH VALUE LIFE INSURANCE			
EQUIPMENT		DUE ON EQUIPMENT	
REAL ESTATE		DUE ON REAL ESTATE	
OTHER ASSETS		OTHER LIABILITIES	
		CAPITAL STOCK (if a corporation)	
		SURPLUS AND UNDIVIDED PROFITS	
TOTAL ASSETS		TOTAL LIABILITIES	
		NET WORTH	
Name of Owners		Name and Title of Officers	% OWNERSHIP IN COMPANY

COMPLETION OF THIS FORM CONSTITUTES PERMISSION FOR WORLDWIDE INSURANCE SPECIALISTS INC. TO OBTAIN CONSUMER INFORMATION WHICH WILL BE USED TO DETERMINE BONDING ELIGIBILITY. THIS INFORMATION WILL BE HELD IN THE STRICTEST CONFIDENCE
NO PREMIUM FINANCING WILL BE ACCEPTED AS PREMIUM IS EARNED IN FULL.

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