

BOND

Date _____ Bond No. _____

KNOW ALL MEN BY THESE PRESENTS:

That we, _____,

as Principal, and _____,

whose address is _____,

organized and existing under the laws of the State of _____ authorized to act as surety in the State of Arizona, as Surety, are held and financially bound unto TUCSON ELECTRIC POWER COMPANY ("TEP"), as obligee, in the sum of _____ DOLLARS (_____), lawful money of the United States of America, to be paid to TEP, its successors and assigns, for which payment, well and truly to be made, we bind ourselves and our successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal and TEP have entered into a "Deferred Subdivision Construction Agreement" agreement ("Agreement") regarding the installation by TEP of certain electric distribution facilities ("Facilities") intended to supply electric service to permanent customers who will occupy buildings which are to be constructed on _____, Pima County, Arizona;

WHEREAS, said agreement provides that Principal shall make an initial cash deposit to TEP equal to TEP's total installed cost of the Facilities, exclusive of meters and services, prior to the installation of said Facilities, and that Principal shall be responsible for paying TEP's cost of ownership charges on all Facilities which are not used to serve permanent customers two years after the completion of the installation of said Facilities;

WHEREAS, the Principal desires to postpone making the usual initial cash deposit with TEP for said Facilities, accordingly, Principal and TEP have entered into the Agreement which acknowledges the obligations of the Parties and permits the Principal to defer until the expiration date which is _____ (4 years maximum Period of Deferral) the making of the cash deposit required under the Agreement plus cost of ownership charges as determined thereunder and imposes certain carrying charges which shall be periodically billed.

NOW, THEREFORE, in consideration of the mutual promises contained herein,

- (1) The Surety does hereby guarantee that the Principal will perform and fulfill all of the Principal's obligations now existing and/or hereafter accruing, under the provisions of said Agreement, including all exhibits and attachments thereto, in the manner and time set forth therein, and TEP is hereby assured by the Surety that, in the event the Principal fails to perform its obligations under the Agreement at any time and in the manner required therein, the Surety, upon the Company's demand, shall immediately perform Principal's payment obligations set forth in the Agreement without regard to the cause of the Principal's failure to perform.

- (2) If the Principal shall well and truly perform and fulfill all of the Principal's obligations that are to be performed and fulfilled under the provisions of said Agreement, including all exhibits and attachments thereto, in the manner and time therein set forth, then this obligation shall become void; otherwise it shall remain in full force and effect until at least ninety (90) days beyond the above-stated Period of Deferral.
- (3) Any alternations which may be made in the terms of the Agreement or in the work to be done under them or for the performance or fulfillment of the Agreement or any other forbearance on the part of the parties herein named to the other shall not in any way release the Principal and the Surety, or either of them, from their liability hereunder, notice to the Surety of any such alteration or forbearance being hereby waived.

IN WITNESS WHEREOF, the Principal and the Surety have caused these presents to be executed as of the date above first written.

_____	_____
Surety	Principal
By: _____	By: _____
<u>Mailing Address</u> _____	<u>Typed Name:</u> _____
_____	<u>Title:</u> _____
Date: _____	Date: _____

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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