

PAYMENT BOND

BOND NO. _____

KNOWN ALL MEN BY THESE PRESENTS, that _____ (hereinafter called the Principal), as Principal, and the _____ a corporation organized and existing under the laws of the State of _____, with its principal office in the City of _____, (hereinafter called the Surety), as Surety, are held and firmly bound unto the EL PASO ELECTRIC COMPANY, a Texas corporation (hereinafter called the Obligee), in the amount of _____ (\$ _____) Dollars for the payment whereof the said Principal and the Surety bind themselves, their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a written agreement with the Obligee dated _____ for the furnishing by Obligee of electric service, said agreement being referred to as if it were copied at full length herein, and WHEREAS, Obligee has agreed to accept this bond from the Principal and the Surety in lieu of a cash deposit from the Principal;

NOW, THEREFORE, the condition of this obligation is such that if the said Principal shall abide by all terms and conditions of said written agreement and shall pay when due all bills for electric service, then this obligation shall be null and void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, should the Principal not abide by all terms and conditions of said written agreement or not pay to Obligee when due any bill for electric service, then upon written demand by Obligee the Surety shall pay to Obligee the amount of the Principal's loss, not exceeding the face amount of this bond; payment by the Surety will not be subject to negotiation.

This bond shall remain in full force and effect until the Principal disconnects electric service provided for in said written agreement. The Surety may relieve itself of obligation under this bond by giving 60 days written notice to the Obligee; provided, however, said cancellation shall not affect the Surety's obligation prior to the effective date of cancellation.

No suit may be held under this bond unless such suit is instituted before the expiration of two years for the effective date of cancellation.

IN WITNESS WHEREOF, the said Principal and the Surety have signed this instrument this _____ day of _____, 20_____.

PRINCIPAL _____

INSURANCE COMPANY _____ ADDRESS _____ CITY _____ STATE _____ ZIP _____
BY _____ NAME OF INSURANCE AGENT _____
SURETY _____

ADDRESS (AGENT) _____

THE FOREGOING BOND IS HEREBY APPROVED _____ PHONE (AGENT) _____
EL PASO ELECTRIC COMPANY

BY _____
OBLIGEE

DATE _____

BUSINESS NAME _____

RESPONSIBLE PARTY _____

SERVICE ADDRESS _____

ACCOUNT NUMBER _____