

INDEMNITY BOND FOR GAS SERVICE
FURNISHED BY ALABAMA GAS CORPORATION

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS, that

_____ hereinafter called Principal, and _____, a corporation, organized and existing under the laws of the State of _____, and duly authorized to conduct and carry on a general surety business in the State of Alabama, hereinafter called Surety, are each held and firmly bound unto the ALABAMA GAS CORPORATION, hereinafter called Oblige, in the full and just sum _____ Dollars (_____) lawful money of the United States of America, for the payment whereof well and truly to be made, the said Principal and the said Surety hereby bind themselves, their respective heirs, legal representatives, successors and assigns, jointly and severally, firmly by these presents,

WHEREAS, the Principal has applied to ALABAMA GAS CORPORATION for gas service; and

WHEREAS, under the rules and regulations of the Alabama Public Service Commission, it is necessary for the Principal to furnish security for the prompt payment of bills for gas service furnished and supplied to the Principal by the Oblige; and

WHEREAS, the Principal desires to post this bond in lieu of a cash deposit as security for the payment of gas bills,

NOW, THEREFORE, the condition of this obligation is such that if the said Principal shall well and faithfully perform the obligations herein recited and shall promptly pay all bills rendered by the Oblige to said Principal for gas service as provided in this bond and the rules and regulations of the Alabama Public Service Commission, then the above obligation shall be null and void, otherwise to remain in full force and effect, and the Surety herein agrees to pay, within ten (10) days after written demand for payment by the Oblige, any delinquent gas bills rendered by the Oblige to the Principal herein if such bills are not paid by said Principal within fifteen (15) days from the due date of said bills.

THIS BOND IS ISSUED AND EXECUTED SUBJECT TO THE FOLLOWING CONDITIONS:

1. That the surety company reserves the right to cancel this bond by giving thirty (30) days' written notice to the Obligee, addressed to the

ALABAMA GAS CORPORATION
Post Office DRAWER 17
TUSCALOOSA, ALABAMA 35402

provided said written notice is mailed by certified mail, return receipt requested, so that the thirty day notice herein defined begins on the date the notice is received by the Obligee.

Thirty days after receipt by Obligee of the certified notice of cancellation, the Surety is discharged and relieved of any liability, it being understood and agreed, however, that the said Surety will be liable for any loss to the Obligee for gas consumed up to the effective date of said thirty-day cancellation notice, in no event, however, in excess of the penalty of this bond.

2. That it is expressly understood by the Principal and Surety herein that the Obligee may, by giving fifteen (15) days' written notice, cancel this bond or require an endorsement hereon increasing the penal amount provided in this bond so that the said penal amount shall be equal to at least two maximum regular billing periods rendered by the Obligee to the Principal.

3. This bond shall be effective from and after the _____ day of _____, _____, and shall remain in force until canceled as aforesaid, or until released in writing by the Obligee.

IN WITNESS WHEREOF, the said Principal and the said Surety have duly executed or caused to be executed this bond the _____ day of _____, _____.

Signed, sealed and delivered in the presence of:

(SEAL)

As to Principal

By: _____

As to Surety

By: _____

LICENSED RESIDENT AGENT,
STATE OF ALABAMA

Its Attorney-in-Fact
Surety