

PERFORMANCE BOND

(WATER UTILITIES)

KNOW ALL MEN BY THESE PRESENTS, that _____ being duly qualified to do business in the State of South Carolina, designated as “principal,” and that _____, designated as “surety”/“sureties” is/are held and firmly bound unto the Public Service Commission of South Carolina, designated as “obligee,” in the penal sum of \$ _____, for the payment of which well and truly to be made, the principal binds itself, its successors and assigns, and the surety/sureties bind themselves, their personal representatives, and their assigns, jointly and severally, firmly by these presents.

WHEREAS, in accordance with the provisions of S.C. Code Ann., §58-5-720 (1976, as amended), which requires the principal to furnish a bond with sufficient surety, to the satisfaction of the obligee, conditioned as provided in said §58-5-720, and

WHEREAS, the obligee has granted the principal a Certificate of Public Convenience and Necessity and approved a schedule of rates for water service in areas shown on operating maps filed with the obligee, and

WHEREAS, this bond, when approved by the obligee, conditioned as in said §58-5-720, are to cover any and all liability which may arise as a result of the principal failing to provide adequate and sufficient service within its service area as prescribed in §58-5-720, and

WHEREAS, the obligee, upon notice and hearing, shall have the right to declare all or any part of the bond forfeited upon a determination by the obligee that the principal shall have willfully failed to provide such service as prescribed above, without just cause or excuse, and that such failure has continued for an unreasonable length of time, and

WHEREAS, the liability under the terms of this bond are hereby extended so as to include any fines or penalties imposed or assessed by the obligee against the principal under the provisions of S.C. Code Ann. §58-5-710 (1976 as amended) and

WHEREAS, in the event that any judicial action or proceedings are initiated with respect to this bond, the parties hereby agree that the venue thereof shall be Richland County, State of South Carolina, and

WHEREAS, the surety/sureties undertake(s) this obligation for and in consideration of the principal being able to continue to operate a water utility providing service to the public for compensation under the jurisdiction of the obligee, and

WHEREAS, this bond shall become effective on the date executed by the principal, and surety/sureties, and shall continue from year to year unless the obligations of the principal and surety/sureties under this bond is expressly released by the obligee in writing, and

WHEREAS, the obligee upon notice and opportunity to the principal to be heard, may order that the face amount of this bond to be changed within the limits set forth in S.C. Code Ann. §58-5-720 (1976 as amended).

NOW THEREFORE, in testimony whereof, said principal has hereunto subscribed its name and said principal has caused this instrument to be signed by its duly authorized officers and its corporate seal to hereunto affixed this _____ day of _____ 20_____; and that said surety/sureties have caused this instrument to be signed this _____ day of _____ 20_____.

SURETY/SURETIES:

Signature

Company

IN THE PRESENCE OF:

By

Witness # 1:

Title

Witness # 2

IN THE PRESENCE OF:

Signature

Witness # 1:

Witness # 2

ACKNOWLEDGEMENT OF PRINCIPAL

STATE OF SOUTH CAROLINA

COUNTY OF _____

On _____, 20____, _____ came before me personally, to me known, and who being by me duly sworn, did depose and state; that he is the _____ of _____, the Corporation which executed the foregoing instrument; that he knows the seal of said Corporation, that the seal affixed to the said instrument is such corporate seal; that it was so affixed by the order of the Board of Directors of said Corporation, and that he signed his name to said instrument by like order.

SWORN to before me this

_____ day of _____, 20_____

_____ (L.S.)

Notary Public

My Commission Expires:

(Affix seal if not South Carolina Notary Public)