

**INDEMNITY BOND FOR GAS SERVICE
FURNISHED BY ALABAMA GAS CORPORATION**

KNOW ALL MEN BY THESE PRESENTS, that _____
hereinafter called Principal, and _____, a corporation,
organized and existing under the laws of the State of _____ 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 ALABAMA GAS CORPORATION, hereinafter called
Obligee, in the full and just sum of _____ 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, 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 Obligee; 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 Obligee 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 Obligee, any delinquent gas bills rendered by the Obligee 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

Alabama Gas Corporation
Attn: Sabrina Pruitt
605 Richard Arrington Jr. Blvd. North
Birmingham, AL 35203-2707

provided said written notice is delivered by certified mail, return receipt requested, so that the thirty day notice herein defined begins to run no sooner than 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:

(Sealed)

As to Principal

By:

As to Surety,

By:

Its Attorney-In-Fact
Surety

Bond forms change; this is for educational purposes only.