

PERFORMANCE BOND
FINANCIAL STATEMENT
(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, is 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 is 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, as stockholders of the principal, undertake 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, the surety/sureties, as shall file with this bond a Financial Statement showing personal assets, liabilities, and net worth; and shall file annually with the obligee a revised Financial Statement as long as the bond continues in effect, 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 are expressly released by the obligee in writing, and

WHEREAS, the obligee upon notice and opportunity to the principal and surety/sureties 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 _____, _____; and that said surety/sureties have caused this instrument to be signed this _____ day of _____, _____.

SURETY/SURETIES:

Signature

Company

IN THE PRESENCE OF:

By

Witness # 1

Title

Witness # 2

IN THE PRESENCE OF

Signature

Witness # 1

Witness # 2