

Bond # _____

**Baltimore Gas and Electric Company
Electricity Supplier - Surety Bond**

Surety Bond given by _____
Customer Name

_____, as Principal (“Principal”), and the

_____ as Surety (“Surety”) a corporation incorporated
Insurance Company

under the laws of the State of _____ and licensed to transact a surety business in the State of Maryland, to Baltimore Gas and Electric Company (“BGE”), as Obligee, 2 Center Plaza, 110 West Fayette Street, Baltimore, Maryland 21201.

WHEREAS, BGE is prepared to accept Principal as an Electricity Supplier under the BGE Electricity Supplier Coordination Tariff in connection with the Electricity Supplier’s delivery of Competitive Power Supply in BGE’s service territory;

WHEREAS, BGE will accept Principal as an Electricity Supplier only upon BGE’s acceptance of this Surety Bond guaranteeing payment of any penalties and other amounts owed by Principal to BGE under the BGE Electricity Supplier Coordination Tariff; and

WHEREAS, Surety is willing to provide this Surety Bond guaranteeing payment of any penalties and other amounts owed by Principal to BGE under the terms set forth below.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, which the Surety acknowledges constitutes adequate consideration for its obligations hereunder, the Surety agrees as follows:

1. Principal and Surety are held and firmly bound to BGE with respect to the payment of all amounts owed to BGE by Principal in regard to the above referenced delivery of Competitive Power Supply as provided under the BGE Electricity Supplier Coordination Tariff (or any successor schedules approved by the Maryland Public Service Commission), a minimum amount of **Twenty-Five Thousand Dollars (\$25,000.00)**, for which Principal and Surety jointly and severally bind themselves, their successors, assigns and legal representatives.
2. This obligation shall continue in force until Principal and Surety shall pay or cause to be paid to BGE the entire indebtedness covered by this Surety Bond.
3. If Principal fails to make payments related to the services to BGE as the same shall become due, BGE will endeavor to give prompt notice thereof to Principal and to Surety; provided however that
 - (a) BGE shall be under no obligation to give such notice to Principal or Surety of such failure of payment;
 - (b) Surety shall not be discharged or released from its obligations hereunder by any proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership,

reorganization, liquidation or arrangement of Principal or by any defense which Principal may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding. If at any time any payment by Principal to BGE is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy or reorganization of Principal or otherwise, the Surety's obligations hereunder with respect to such payment shall be at such time as though such payment had not been made; and

- (c) Surety hereby waives notice of acceptance of this Surety Bond and notice of any obligation or liability to which it may apply, and waives presentment, demand for payment, protest, notice of dishonor or non-payment of any such obligation or liability, suit or the taking of action by BGE against, and any other notice to Principal, Surety or others. Surety hereby further waives and relinquishes all rights and remedies accorded by applicable law to sureties or guarantors and agrees not to assert or take advantage of any such rights or remedies, including without limitation (a) any right to require BGE to proceed against Principal or any other person or entity or to pursue any other remedy in BGE's power before proceeding against Surety, (b) any defense that may arise by reason of the incapacity, lack of power or authority, dissolution, merger or termination of Principal or any other person or entity or the failure of BGE to file or enforce a claim against the estate (in administration, bankruptcy or any other proceeding) of Principal or any other person or entity, (c) any defense based upon an election of remedies by BGE which destroys or otherwise impairs the subrogation rights of Surety, the right of Surety to proceed against Principal for reimbursement, or both, (d) any defense based on any offset against any amounts which may be owned by any person or entity to Surety for any reason whatsoever, (e) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the Principal, (f) any duty on the part of BGE to disclose to Surety any facts BGE may now or hereafter know about Principal, since Surety acknowledges that Surety is fully responsible for being and keeping informed of the financial condition of Principal and of all circumstances bearing on the risk of non-payment of any obligations and liabilities hereby guaranteed, and (g) any defense based on any change in the time, manner or place of any payment under, or in any other term of, BGE's Electricity Supplier Coordinator Tariff.
4. BGE shall have the right at any time to make written demand on Principal or Surety on this Surety Bond for payment of any and all amounts covered by this Surety Bond, which are due and owing and remain unpaid.
 5. Within 5 business days after BGE has made written demand on Principal or on Surety for payment of any amounts due and owing to it covered by this Surety Bond, Surety will pay in full such amounts to BGE, including any applicable interest and late payment charges.
 6. Surety shall always remain liable to BGE for the full amount of any and all unpaid amounts covered by this Surety Bond and the Surety Bond will also survive and be binding upon Surety following any merger, reorganization, consolidation or other change in Principal's or Surety's structure, personnel, business or affairs.
 7. This bond may be canceled by Surety at any time by giving ninety (90) days written notice to BGE, in which event Surety's liability at the expiration of said ninety (90) days shall terminate, except as to such liability of Principal as may have accrued prior to the expiration of said ninety (90) days. Such cancellation by Surety shall not relieve Principal from any liability which accrues either prior to or subsequent to cancellation of this Surety Bond, it being the intent of the parties hereto that Principal shall always remain primarily liable for payment of all amounts due to BGE.

8. If any one or more of the provisions of this Surety Bond are determined to be illegal or unenforceable by a court of competent jurisdiction, all other provisions shall remain effective.
9. This Surety Bond shall be governed under the laws of the State of Maryland. It represents the entire agreement of Principal, Surety and BGE with respect to the matters referred to herein. It may not be amended unless BGE has agreed to such amendment in writing.

In Witness Whereof, Principal and Surety have executed this Surety Bond on _____ day of _____ 20____.

WITNESS/ATTEST _____ (SEAL)

_____ By: _____

Print Name: _____

Print Title: _____

- PRINCIPAL -

_____ (SEAL)

_____ By: _____

Print Name: _____

Print Title: _____

- SURETY -