

CONTRACT OF GUARANTY

Applicant-Customer

Guarantor/Bluestem Member

Name: _____

Address: _____

Service Location: _____

WITNESSETH: That, whereas Bluestem Electric Cooperative, Inc. (hereinafter "Cooperative"), as a condition to furnishing or continuing to furnish electric service to the above named Applicant or Customer, (hereinafter "Customer"), at the above stated location, has requested Customer to establish credit by making a cash deposit with the Cooperative to secure payment for electric service, or in lieu of a deposit at this time, to furnish a satisfactory guarantor for payment of charges for electric service; NOW THEREFORE, undersigned Guarantor, (residing) (doing business) at the address shown above, in consideration of the Cooperative furnishing or continuing to furnish electric service to Customer without requiring a deposit at this time, hereby absolutely and unconditionally guarantees payment by Customer of all charges for electric service of all kinds whatsoever to the Cooperative, for which Customer may now be liable or for which Customer may in the future become liable; provided, however that the undersigned's liability under this Guaranty shall in no event exceed the sum of \$_____.

Guarantor covenants and agrees that, if Customer at any time shall be in default in the payment of the charges for said electric service, the undersigned Guarantor will pay all outstanding charges, to the limit of this Guaranty, at the Cooperative's business office designated below.

The Cooperative's right to discontinue or terminate the Customer's electric service and its exercise or non-exercise of that right shall not constitute a waiver of the Cooperative's right to bring suit against the Guarantor or to enforce Guarantor's obligations herein assumed.

Guarantor hereby waives notice of acceptance of the guaranty, notice of default and non-payment of Customer, demand and presentment to Guarantor for payment and protest and diligence in bringing suit against any party hereto. Guarantor consents that the time of payment may be extended by the Cooperative without notice thereof.

This Contract of Guaranty shall remain in full force and effect until service has been terminated by Customer following full payment of all proper charges for electric service. If this guaranty is furnished to secure payment of a residential customer service, the Guarantor will be released upon satisfactory payment by the Customer of all proper charges for electric service if the customer has made twelve (12) nondelinquent payment on twelve undisputed bills. Guarantor covenants and agrees that Cooperative may withhold release of the Guarantor pending the resolution of any matter in dispute involving discontinuance of service for non-payment or unauthorized interference with service by the Customer.

This Contract of Guaranty is a continuing Guaranty within the limits previously stated as to time and amount which shall apply to all electric service presently furnished to Customer and any additional electric service which Customer may from time to time be furnished at the above listed service location.

Executed this _____ day of _____, 20_____.

Guarantor (Bluestem Residential Customer)

Signed _____

Witness

ACCOUNT DISCLOSURE AUTHORIZATION

The undersigned Applicant or Customer for electric service hereby authorizes Bluestem Electric Cooperative, Inc., to disclose information to the Guarantor regarding the Customer's account history with the Cooperative, as such history is reflected on the Cooperative's internal business records, and to disclose at any time during the period this Contract of Guaranty remains in effect, the nature of the charges and the amount due and outstanding on the Customer's account for electric service.

The undersigned Applicant or Customer further agrees and acknowledges that the Cooperative's acceptance and/or enforcement of this Guaranty shall in no way relieve Customer from liability for all charges for electric service or from complying with the Cooperative's Rules and Regulations pertaining to payment of bills nor shall it constitute a waiver or modification by the Cooperative of any of its rights, including the disconnection of service for non-payment, on account of Guarantor's liability.

Signed this _____ day of _____, 20_____.

(Applicant-Customer)

BLUESTEM ELECTRIC COOPERATIVE, INC.
524 Dexter, P. O. Box 513, Clay Center, KS 67432