SALT RIVER RURAL ELECTRIC COOP. CORP.

RULES AND REGULATIONS

An acceptable credit history means that, during the time specified the member must not have made more than two (2) late payments, paid with a cold check or have been disconnected for non-payment.

Interest shall be computed on said deposit at the rate of 6% annually. Interest is to be paid or credited to the bill upon refund of deposit or annually at the anniversary date of the deposit.

Refunds of all deposits shall be made under the following conditions:

1. Upon the request of discontinuation of service for which the deposit was made by the consumer, (any unpaid bills shall be deducted from the deposit).

2. Upon the annual anniversary of the payment of said deposit following one year of continuous service during which the member has established an acceptable credit history as defined above.

3. Upon discontinuation of service for which the deposit was made for any reason, (such as nonpayment of bills). Any unpaid bill shall be deducted from the deposit.

If the Cooperative retains a residential deposit for more than   T
18 consecutive months a recalculation of the deposit amount
will be made upon request by the consumer. If the deposited
amount differs by more than $10.00 from 2/12 of the actual billing
for the previous 12 months, then any excess deposit will be
refunded to the consumer in the form of a credit and any under
payment of deposit may be collected by the Cooperative.

The Cooperative shall not be required to refund any excess deposit
if the consumer's bill is deliquent by more than one billing
period at the time of request.

A recalculation of residential consumer deposit will be made
only once per each deposit.   T

Date of Issue _____ April 7, 1986 _____

Issued By _____ KENNETH A. HAZELWOOD _____
Name of Officer

Date Effective _____ May 1, 1986 _____

Title _____ GENERAL MANAGER _____