

GUARANTY

This Guaranty Agreement (“Guaranty”) is made this _____ day of _____, 20____ by _____ (“Guarantor”) in favor of Hydrocarbon Exchange Corporation (“Beneficiary”), a Texas corporation, in consideration of Beneficiary extending credit to _____ (“Counterparty”).

Recitals:

A. Beneficiary and Counterparty have entered into or are anticipating entering into one or more contracts, agreements, and/or confirmations involving the purchase, sale, transportation, exchange or similar services (collectively as amended, renewed, or extended, the “Contract”); and

B. Counterparty is a subsidiary or affiliate of Guarantor and Guarantor will directly or indirectly benefit from the Contract to be entered into between Beneficiary and Counterparty;

NOW, THEREFORE, in consideration of Beneficiary entering into the Contract with Counterparty, Guarantor hereby covenants and agrees as follows:

1. **Guaranty.** Subject to the terms and conditions hereof, Guarantor hereby irrevocably and unconditionally guarantees the timely payment when due of the obligations of Counterparty (the “Obligations”) to Beneficiary under the Contract. To the extent that Counterparty shall fail to pay any Obligations, Guarantor shall promptly pay to Beneficiary the amount due. This Guaranty shall constitute a guarantee of payment and not of external counsel incurred in any effort to collect or enforce any of the Obligations under this Guaranty; provided, however such fees and expenses shall be payable by Guarantor only to the extent that Beneficiary is successful in enforcing payment of the Obligations under this Guaranty.

2. **Limitations.** Guarantor’s liability hereunder shall be limited to payments expressly required to be made under the Contract (even if such payments are deemed to be damages) and in no event shall Guarantor be subject hereunder to consequential, exemplary, equitable, loss of profits, punitive, or any other damages, right to assert rights, setoffs, counterclaims, and other defenses, which Counterparty may have to payment of any Obligations under the Contract, other than defenses arising from the bankruptcy, insolvency, dissolution, or liquidation of Counterparty and other defenses expressly waived herein. The aggregate amount covered by this Guaranty shall not exceed **U.S. \$** _____, plus reasonable attorneys’ fees and expenses payable by Guarantor as provided herein.

3. **Termination.** This Guaranty is a continuing guaranty and shall remain in full force and effect unless and until terminated by Guarantor upon thirty (30) business days’ prior written notice to Beneficiary. No termination shall affect, release or discharge Guarantor’s liability with respect to any Obligations existing or arising under the Contract prior to the effective date of termination.

4. **Nature of Guaranty.** The Guarantor's obligations hereunder with respect to any Obligation shall not be affected by the existence, validity, enforceability, perfection, release, or impairment of value of any collateral for such Obligations. Beneficiary shall not be obligated to file any claim relating to the Obligations owing to it in the event that Counterparty becomes subject to a bankruptcy, reorganization, or similar proceeding and the failure of Beneficiary to so file shall not affect the Guarantor's obligations hereunder. In the event that any payment to Beneficiary in respect to any Obligations is rescinded or must otherwise be returned for any reason whatsoever, Guarantor shall remain liable hereunder in respect to such Obligations as if such payment had not been made.

5. **Subrogation.** Guarantor waives its right to be subrogated to the rights of Beneficiary with respect to any Obligations paid or performed by Guarantor until all Obligations have been fully and indefeasibly paid to Beneficiary, subject to no rescission or right of return and Guarantor has fully and indefeasibly satisfied all of Guarantor's obligations under this Guaranty.

6. **Waivers.** Guarantor hereby waives: (a) notice of acceptance of this Guaranty; (b) presentment and demand concerning the liabilities of Guarantor; (c) notice of any dishonor or default by, or disputes with, Counterparty; and (d) any right to require that any action or proceeding be brought against Counterparty or any other person or to require that Beneficiary seek enforcement of any performance against Counterparty or any other person, prior to any action against Guarantor under the terms hereof. Guarantor consents to the renewal, compromise, extension, acceleration, or other modification of the terms of the Obligations, and to any change, modification or waiver of the terms of the Contract, without in any way releasing or discharging Guarantor from its obligations hereunder. Except as to applicable statutes of limitation, no delay of Beneficiary in the exercise of or failure to exercise, any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights, or a release of Guarantor from any obligations hereunder.

7. **Notice.** Any payment demand, notice, correspondence or other document to be given hereunder by any party to another (herein collectively called "Notice") shall be in writing and delivered personally or mailed by certified mail, postage prepaid and return receipt requested, or by facsimile, to the addresses set forth below. Notice given by personal delivery or mail shall be effective upon actual receipt, or, if receipt is refused or rejected, upon attempted delivery. Notice given by facsimile shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours. All Notices by facsimile shall be confirmed promptly after transmission in writing by certified mail or personal delivery. Any party may change any address to which Notice is to be given to it by giving Notice as provided above of such change of address.

8. **Miscellaneous.** **THIS GUARANTY SHALL BE IN ALL RESPECTS GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS.** No term or provision of this Guaranty shall be amended or modified except in a writing signed by Guarantor and Beneficiary. Beneficiary may, upon notice to Guarantor, assign its rights hereunder to an affiliate without the consent of Guarantor. Guarantor may assign its rights and obligations hereunder only with the prior written consent of Beneficiary. Subject to the foregoing, this Guaranty shall be binding upon Guarantor, its successors, and assigns, and shall

inure to the benefit of and be enforceable by Beneficiary, its successors and assigns. All references herein to Counterparty shall be deemed to include all successors and assigns, whether immediate or remote, of Counterparty under the Contract. This Guaranty embodies the entire agreement and understanding between Guarantor and Beneficiary, and supersedes all prior guarantees issued by Guarantor in connection with Obligations under the Contract.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty effective as of the date first herein written.

Guarantor

By: _____

Name: _____

Title: _____

Address of Beneficiary:

5910 N. Central Expressway, Suite 1380

Dallas, TX 75206

Attn: Scott Hopkins

Fax No.: 214-987-0257

Address of Guarantor:

Attn: _____

Fax No.: _____