

GUARANTY

This Guaranty ("Guaranty") dated as of _____, is made by _____, a _____ ("Guarantor"), in favor of **Phillips 66**
("Entity legal name") ("entity type and state of organization")

Carrier LLC, ("Beneficiary") in order to induce the Beneficiary to enter into business transactions with ("Debtor"). Such business transactions ("Transactions") may include, without limitation: (a) contracts for the purchase, sale, exchange or processing of crude oil, refined petroleum products, chemical products, electric power, natural gas and related natural gas products, such as natural gas liquids (NGL's), helium, liquefied natural gas (LNG's), CO₂ and propane, and any other energy commodity (collectively, "Products"), (b) commodities swap agreements, option contracts, or other financially settled, energy related derivative transactions with respect to the Products, (c) contracts for the transportation, delivery or storage of Products, and (d) contracts for any other services to be rendered, which Transactions are or will be or may be evidenced by one or more agreements ("Agreements") between the Beneficiary and the Debtor. In consideration of the foregoing, the Guarantor agrees as follows:

1. Guaranty. The Guarantor unconditionally and absolutely guarantees, as a continuing guaranty of payment and not merely collection, the payment of all monies owed by the Debtor to the Beneficiary that become due and payable in accordance with the terms of the Transactions or Agreements (the "Guaranteed Obligations"). If the Beneficiary notifies the Guarantor in writing by proper notice that the Beneficiary is drawing on this Guaranty for the payment of all or any part of the Guaranteed Obligations, the Guarantor shall pay or cause to be paid the amount of such Guaranteed Obligations to the Beneficiary within five business days after receipt of such notice.

2. Amount. The aggregate amount covered by this Guaranty shall not exceed US \$ _____ plus the Beneficiary's reasonable costs and expenses, including reasonable attorney's fees, incurred by the Beneficiary to collect the underlying indebtedness or to enforce any of its rights hereunder; *provided, however*, that such costs and expenses shall be payable by the Guarantor only to the extent the Beneficiary is successful in enforcing this Guaranty (collectively, the "Guaranteed Cap"). The Guarantor's liability under this Guaranty is specifically limited to the performance of the Guaranteed Obligations that the Debtor is expressly required to perform under the Transactions (even if such Guaranteed Obligations are deemed to be damages).

3. Term. This Guaranty shall expire on _____, unless terminated earlier by the Guarantor at any time by giving twenty (20) days prior written notice to the Beneficiary in accordance with the provisions of Section 9. The Guarantor will not be liable under this Guaranty for any Transactions or other obligations created, incurred or contracted by the Beneficiary after such expiration or termination; *provided, however*, that such expiration or termination shall not affect in any manner any of the Beneficiary's rights under this Guaranty with respect to any Transactions or obligations created, incurred, or contracted prior to such expiration or termination.

4. Nature of Guaranty. The Guarantor's obligations hereunder with respect to any Guaranteed Obligation shall not be limited, diminished, or otherwise affected by the existence, validity, enforceability, perfection, release, or extent of any collateral for such Guaranteed Obligations or by any other circumstance relating to the Guaranteed Obligations that might otherwise constitute a legal or equitable discharge of or defense to the Guarantor not available to the Debtor. The Beneficiary will not be obligated to file any claim relating to the Guaranteed Obligations owing to it in the event that Debtor becomes subject to a bankruptcy, reorganization, or similar proceeding, and the failure of the Beneficiary to so file shall not affect the Guarantor's obligations hereunder. If after receipt from the Debtor of any payment of all or any part of the Guaranteed Obligations, the Beneficiary is compelled to surrender or voluntarily surrenders such payment to any person because such payment is or may be avoided, invalidated, set aside, or determined to be a preference, fraudulent conveyance, or impermissible set-off under bankruptcy, insolvency, reorganization or similar laws affecting creditor's rights, then the Guaranteed Obligations or part thereof intended to be satisfied shall be reinstated or returned by the Beneficiary, and this Guaranty shall continue to be effective as if such payment had not been made or value received notwithstanding any revocation thereof.

5. Representations and Warranties. The Guarantor represents and warrants to the Beneficiary on the date hereof that (a) it is duly organized and validly existing and in good standing under the laws of the jurisdiction in which it was organized and has the power and authority to execute, deliver and perform this Guaranty; (b) the execution, delivery and performance of this Guaranty require no action by, or filing with, any governmental body or any court having jurisdiction over the Guarantor; and (c) this Guaranty constitutes the legal, valid and binding obligations of the Guarantor, enforceable against the Guarantor in accordance with its terms, subject, as to enforceability only, to applicable bankruptcy, moratorium, insolvency or similar laws affecting the rights of creditors generally and to general principles of equity.

6. Subrogation. Subject to the second sentence of this paragraph, the Guarantor waives its right to be subrogated to the rights of the Beneficiary against the Debtor with respect to any Guaranteed Obligations paid by the Guarantor until all Guaranteed Obligations have been paid in full to the Beneficiary and the Guarantor has fully satisfied all of the Guarantor's obligations under this Guaranty. If the Guarantor shall make any payment to the Beneficiary pursuant to this Guaranty, it shall (to the extent of the payment(s) so made) be subrogated to the Beneficiary's rights against the Debtor; *provided, however*, that the Guarantor agrees that it shall take no action to exercise such rights until the payment in full to the Beneficiary of all Guaranteed Obligations of the Debtor under the Agreements.

7. Amendment of Guaranty. No term or provision of this Guaranty shall be amended, modified, waived, or supplemented except in writing signed by the Guarantor and the Beneficiary.

8. Waivers. The Guarantor hereby waives (a) notice of acceptance of this Guaranty; (b) presentment and demand concerning the liabilities of the Guarantor; (c) any right to require that any action or proceeding be brought against the Debtor or any other person, or to require that the Beneficiary seek enforcement of any performance against the Debtor or any other person, prior to any action against the Guarantor under the terms hereof; (d) notice of the amounts or terms of any Transactions or Agreements with the Debtor or of any modifications, renewals, replacements, or extensions thereof; (e) notice of any extension of time for the payment of sums due and payable to the Beneficiary; (f) with respect to any notes or evidences of indebtedness received by the Beneficiary from the Debtor, notice of presentment, demand for payment or notice of protest; and (g) notice of any dishonor or default by, or disputes with, the Debtor. Except as to applicable statutes of limitation, no delay of the Beneficiary in the exercise of, or failure to exercise, any rights hereunder shall operate as a waiver of such rights or a release of the Guarantor from any obligations hereunder. The Guarantor consents to the renewal, compromise, extension, acceleration or other changes in the time of payment or other terms of the Guaranteed Obligations, any acceptance or release of collateral, or any changes or modifications to the terms of the Agreements, without in any way releasing or discharging the Guarantor from its obligations hereunder.

9. Notice. Any notice, request, instruction, correspondence or other document to be given hereunder (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 Guarantor or to the Beneficiary at their respective addresses set forth below. Notice given by personal delivery or mail shall be effective upon actual receipt. 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. The Guarantor and the Beneficiary may change any address to which Notice is to be given to such party by giving Notice thereof as provided above.

If to Guarantor:

If to Beneficiary:

Phillips 66 Carrier LLC
Attn: Treasury Department
Houston Operations Center (HOC)
1075 W. Sam Houston Parkway N., Ste. 200
Houston, TX 77043
Fax No. (918) 977-8030

10. Assignability. This Guaranty may not be assigned by the Guarantor or the Beneficiary without the prior written consent of the other; provided, the Guarantor's consent shall not be required for any assignment of this Guaranty by the Beneficiary to an affiliate of the Beneficiary contemporaneously with an assignment to such affiliate of all of the then outstanding Agreements.

11. GOVERNING LAW. THIS GUARANTY SHALL BE IN ALL RESPECTS GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS.

12. Final Agreement; Reservation of Rights. This Guaranty embodies the entire agreement of the parties, and supersedes all prior agreements and understandings of the parties, with respect to the subject matter hereof. The Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which the Debtor is or may be entitled in connection with the Guaranteed Obligations, except for defenses arising out of the bankruptcy, insolvency, dissolution or liquidation of the Debtor .

<Insert Company Name>

By: _____

Name: _____

Title: _____