GUARANTY AGREEMENT
GTYSO##-###

THIS GUARANTY AGREEMENT GTYSO##-### (the “Guaranty”) is made this [Insert Day] day of [Insert Month], 2011, among and between Vectren Energy Delivery of Ohio, Inc. a Corporation organized under the laws of the State of Ohio (“Creditor”) and [Insert SCO Supplier’s Name], a [Insert LLC, LLP, Corp., etc.] organized under the laws of the State of [Insert State] (“Debtor”) and in order to induce such transactions, services and/or credits as further defined below (the “Agreement”), the undersigned [Insert Parent Company], a [Insert LLC, LLP, Corp., etc.] organized under the laws of the State of [Insert State] (the “Guarantor”) does hereby guarantee the prompt payment of all such sums owed by Debtor to Creditor for obligations arising out of the Agreements.

PRELIMINARY STATEMENT

WHEREAS, Debtor has entered or will enter into a Standard Choice Offer (“SCO”) Supplier Agreement [Insert Execution Date] to provide natural gas to Creditor’s SCO customers, whereby Creditor may extend credit or other financial accommodations to Debtor, and

WHEREAS, Creditor has required, as a prerequisite to extending credit or other financial accommodations to Debtor, that Guarantor execute and deliver this Guaranty, and Guarantor is willing to execute and deliver this Guaranty to guarantee Debtor’s payment obligations to Creditor.

AGREEMENT

NOW THEREFORE, in consideration of and as inducement for Creditor to enter into agreements with Debtor to extend credit or other financial accommodations to Debtor, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Guarantor hereby covenants and agrees with Creditor as follows:

Section 1. Obligations Guaranteed. Guarantor irrevocably and unconditionally guarantees the timely payment, when due, of each and every obligation of Debtor to Creditor, whether now existing or hereafter arising, under the Agreement and all other agreements executed in favor of, and delivered to, Creditor pursuant to the Agreement, subject to a maximum amount payable under this Guaranty of [Amount to Be Determined] ($[Amount To Be Determined]) United States Dollars, plus reasonable attorney’s fees. All obligations guaranteed by Guarantor pursuant to this Guaranty are hereinafter collectively referred to as the “Obligations”. Guarantor shall promptly pay to Creditor the amount due upon demand by Creditor after an Event of Default under the Agreement payable within five (5) business days. Guarantor shall be liable for reasonable attorney’s fees and expenses of Creditor’s external counsel incurred in any effort to collect or enforce any of the obligations under this Guaranty. Except to the extent specifically provided hereunder or in the Agreement, in no event shall the Guarantor be subject to consequential, exemplary, equitable, loss of profits, punitive, tort, or any other damages. This is Guaranty is one of payment and not collection.
Section 2. **Guaranty Obligations.** Guarantor’s obligations under this Guaranty are absolute and, subject to Section 5, shall remain in full force and effect until all Obligations of Debtor shall have been discharged in full.

Section 3. **Independent Obligation.** In the event of any default under the Agreement by Debtor, Creditor shall have the right to proceed first and directly against Guarantor under this Guaranty without proceeding against any other person or entity or exhausting any other remedies which it may have and without resorting to any other security held by it.

Section 4. **Effect of Bankruptcy.** In the event that, pursuant to any insolvency, bankruptcy, reorganization, receivership or other debtor relief law, or any judgment, order or decision thereunder, Creditor must return any payment, or any part thereof, received by Creditor from Debtor under this Agreement, any prior release or discharge from the terms of this Guaranty shall be without effect with respect to such payment and this Guaranty shall remain in full force and effect. In the event that any payment to Creditor 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.

Section 5. **Continuing Obligation.** This Guaranty shall continue in full force and effect until the earlier of ________, or the date which is thirty (30) days after the date on which Creditor receives written notice from Guarantor that it is terminating this Guaranty (“Termination Date”); provided, that this Guaranty shall continue in full force and effect after any such termination with respect to any Obligations existing at the date of termination, whether or not such Obligations are then due and payable.

Section 6. **Waiver of Defenses.** The liability of the Guarantor under this Guaranty, and Guarantor’s obligations under this Guaranty shall not be impaired or released as a result of (a) any change of the time, manner or terms of payment of any of Obligations; (b) any renewal or increase of any of the Obligations; (c) any release or partial release of any other guarantor or other obligor in respect of any of the Obligations; (d) any modification, amendment, waiver or renewal of, or consent to departure from, any agreement or instrument relating to any of the Obligations; (e) Creditor’s exercise or failure to exercise any rights against the Debtor, the Guarantor or other or any other action or inaction by the Creditor in respect of any of the Obligations; (f) with respect to any of the foregoing, the lack of notice to or consent by Guarantor; or (g) any other circumstance which might otherwise constitute a defense available to, or discharge of, a surety or a guarantor excepting payment. Nothing herein is intended to deny Guarantor, and Guarantor shall have and may assert any and all of the defenses, set-offs, counterclaims and other rights which Debtor is or may be entitled to assert that arise from or out of the Agreement, except for defenses arising out of the bankruptcy, insolvency, dissolution, dissolution, or liquidation of Debtor.

Section 7. **Right to Set-Off.** The Creditor may set-off or apply any and all deposits and any other property at any time held by, or any other indebtedness at any time owing by, the Creditor to Guarantor against any Obligation of the Guarantor hereunder; provided Creditor has first demand on Guarantor for payment of such Obligation and given Guarantor the opportunity for payment of same. The amount of any such set-off shall be treated as an amount paid under this Guaranty for purposes of the maximum amount of the Guaranty set forth in Section 1.

Section 8. **Waiver.** Guarantor hereby expressly waives notice from Creditor of its acceptance and reliance upon this Guaranty and any notice of credit extended hereunder. Guarantor consents to any extensions of time for the payment of said account, and to any changes in the terms of any agreement between Creditor and Debtor. No waiver, amendment, release or modification of this Guaranty shall be established by conduct, custom or course of dealing, but solely by an instrument in writing duly executed by the parties hereto. Guarantor also waives
promptness, diligence, presentment to or demand of payment from anyone liable upon the Obligations, and presentment, notice of dishonor, protest and all other notices whatsoever. Creditor’s failure or delay in exercising any right, remedy or power hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise by the Creditor of any right, remedy or power hereunder preclude the Creditor from any other or future exercise of any right, remedy or power. Each and every right, remedy and power granted to the Creditor hereunder or allowed to it by law or other agreement shall be cumulative with and not exclusive of any other.

Section 9. **Waiver of Subrogation.** If the Guarantor shall make any payment under this Guaranty, the Guarantor will not exercise any rights which it might acquire by way of subrogation until all Obligations of Debtor have been fully and indefeasibly paid in full to Creditor, subject to no recission or right of return, at which time Guarantor may exercise such right of subrogation and the Creditor shall release or transfer to Guarantor any security held by Creditor. If any amount shall be paid to Guarantor in violation of the preceding sentence, such amount shall be held in trust for Creditor’s benefit and shall forthwith be paid to Creditor to be credited and applied to the Obligations of the Debtor whether matured or unmatured.

Section 10. **Expenses.** If Guarantor refuses to honor any obligation hereunder, Guarantor shall pay all costs and expenses (including reasonable attorney’s fees) incurred by Creditor in enforcing its rights under this Guaranty.

Section 11. **Currency.** Guarantor shall make each payment under this Guaranty in immediately available funds in the same currency in which the Obligation in respect of which such payment is made is denominated or, at the option of Guarantor, in U.S. dollars.

Section 12. **Assignment.** This Guaranty shall be binding upon Guarantor and upon its successors and assigns and shall be for the benefit of Creditor and its successors and assigns. Guarantor may not assign this Guaranty or the obligations hereunder without the express written consent of the Creditor. Creditor may, upon notice to Guarantor, assign its rights hereunder without the consent of Guarantor.

Section 13. **Applicable Law.** This Guaranty shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to laws of such State that would require the application of the laws of any other State.

Section 14. **Severability.** In case any clause, provision or section of this Guaranty, or any application thereof, is for any reason held to be illegal, invalid, or inoperable, such illegality, invalidity or inoperability shall not affect the remainder thereof or any other clause, provision or section, and each such clause, provision or section shall be deemed to be effective and operative in the manner and to the fullest extent permitted by law.

Section 15. **Supersedes.** This Guaranty is the entire and only agreement between Guarantor and Creditor with respect to the guaranty of the Obligations of Debtor by Guarantor. This Guaranty shall supersede, revoke and terminate all previous guaranties of the Obligations of the Debtor under the Agreement given to Creditor by Guarantor prior to the date hereof.

Section 16. **Representations and Warranties.** Guarantor represents and warrants to Creditor that: (a) the execution, delivery, and performance of this Guaranty have been and remain duly authorized by all necessary corporate or limited liability company action and do not contravene any provision of Guarantor’s Certificate of Incorporation or bylaws or any law, regulation, rule, order, judgment, or contractual restriction binding on Guarantor or its assets; (b) the Guaranty has been duly executed and delivered by Guarantor and constitutes a legal, valid, and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms; (c) the Guarantor is duly organized, validly existing and in good standing under the laws of the
jurisdiction of its incorporation and has full power and legal right to execute and deliver this Guaranty and to perform the provisions of this Guaranty on its part to be performed; and (d) all consents, authorizations, approvals, registrations and declarations required for the due execution, delivery and performance of this Guaranty have been obtained from or, as the case may be, filed with the relevant governmental authorities having jurisdiction and remain in full force and effect, and all conditions thereof have been duly complied with and no other action by, and no notice to or filing with, any governmental authority having jurisdiction is required for such execution, delivery or performance.

Section 17. Notices. Any notices given or required to be given hereunder shall be given to the parties at their respective addresses below either by regular mail, in person, by overnight courier service or by facsimile, which notices shall be effective upon receipt:

If to Creditor: Vectren Energy Delivery of Ohio, Inc. Attn: Robert L. Goocher One Vectren Square Evansville, IN 47708 Phone: (812) 491-4080 Fax No.: (812) 491-4346

With an Additional Notice to: Vectren Energy Delivery of Ohio, Inc. Attn: Office of the General Counsel One Vectren Square Evansville, IN 47708 Phone: (812) 491-4202 Fax No.: (812) 491-4238

If to Guarantor: [Insert Company Name] Attn: [Insert Name] [Insert Address] Phone: [Insert Phone Number] Fax: [Insert Fax Number]

Guarantor or Creditor may change the address to which notices to it are to be sent upon written notice to the other party.

Section 18. Modification. This Guaranty may not be modified unless the changes are in writing and signed by both parties.

IN WITNESS WHEREOF, this Guaranty was executed and effective as of the date first above written.

Guarantor Name

By: ________________________________

Print Name: ________________________________

Title: ________________________________

Acknowledged and agreed as of the date first written above.