

SURETY OR GUARANTEE FOR ACCOUNT  
Continuing Guarantee Letter  
Form 6447, 1/94

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(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3276  
DECISION NO.

108

ISSUED BY

**Lee Schavrien**  
Vice President  
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Jul 9, 2003  
EFFECTIVE Aug 18, 2003  
RESOLUTION NO. \_\_\_\_\_



APPLICANT

GUARANTOR

NAME \_\_\_\_\_

ADDR \_\_\_\_\_

CITY \_\_\_\_\_

ACCOUNT NUMBER

145 606 2200 30

ACCT NBR \_\_\_\_\_ -- \_\_\_\_\_ -- \_\_\_\_\_

To: Southern California Gas Company: **C U S T O M E R   C O P Y**

**CONTINUING GUARANTEE**

\_\_\_\_\_ ("Guarantor named above") hereby guarantees the full, prompt and faithful payment when due of obligations, indebtedness and liabilities of any kind whatsoever of \_\_\_\_\_ ("Applicant name above") to Southern California Gas Company ("Company") now or hereafter owing by Applicant to the Company in respect of or pursuant to any existing or future agreement, contract, applicable law, regulation or tariff, and any amendments, modifications or extensions thereof.

Guarantor hereby agrees that it shall not be necessary, as a condition to enforce this guarantee, that a suit be first instituted against Applicant or that any rights or remedies against Applicant be first exhausted. Rather, it is understood and agreed that the liability of Guarantor hereunder shall be primary direct and in all respects, unconditional.

This Guarantee may be withdrawn upon 15 days prior written notice to that effect actually received by Company. Such expiration or withdrawal shall not, however, affect or reduce Guarantor's obligation hereunder for any obligations, liabilities and indebtedness of Applicant incurred prior to such expiration or termination.

With respect to all obligations, liabilities and indebtedness guaranteed hereby, this is a Guarantee of payment and performance and not of collection, and Guarantor hereby waives and agrees not to assert or take advantage of, and Guarantor's liability under this Guarantee shall be absolute and unconditional irrespective of: (a) any right to require Company to proceed against Applicant or any other person or to resort to, proceed against or exhaust any security held by it at any time or to pursue any other remedy in its power before proceeding against Guarantor; (b) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any of the obligations hereby guaranteed; (c) any defense that may arise by reason of the incapacity, lack of authority, death, or disability of, or revocation hereof by Applicant or any other person or persons or the failure of Company to file or enforce a claim against the estate (either in administration, bankruptcy, or any other proceeding) of Applicant or any other person or persons; (d) demand, presentment, protest and notice of any kind including, without limiting the generality of the foregoing, notice under Section 9604(3) of the California Uniform Commercial Code, and notice of the existence, creation or incurring of any new or additional indebtedness or obligation or of any action or nonaction on the part of Applicant, Company, a guarantor under this or any other instrument, or creditor of Applicant or any other person whomsoever, in connection with any of the obligations, liabilities or indebtedness guaranteed hereby or may collateral therefor; (e) any defense based upon an election of remedies by Company, including without limitation an election to proceed by non-judicial rather than judicial foreclosure, which destroys or otherwise impairs the subrogation rights of Guarantor or the right of Guarantor to proceed against Applicant for reimbursement, or both; (f) any rights under California Civil Code Sections 2845, 2847, 2848, 2849, and/or 2850; and (g) any duty on the part of Company to disclose to Guarantor any facts it may now or hereafter know about Applicant, regardless of whether Company has reason to believe that any such facts materially increase the risk beyond that which the Guarantor intends to assume or has reason to believe that such facts are unknown to Guarantor or has a reasonable opportunity to communicate such facts to Guarantor, it being understood and agreed that Guarantor is fully responsible for being and keeping informed of the financial condition of Applicant and of all circumstances bearing on the risk of nonpayment or nonperformance of any of the obligations, indebtedness or liabilities hereby guaranteed.

This Guarantee shall be governed by and construed in accordance with the laws of the State of California.

Sincerely, **C U S T O M E R   C O P Y**

\_\_\_\_\_  
GUARANTOR SIGNATURE

\_\_\_\_\_  
DATE