

## PARENT GUARANTY AGREEMENT

This Parent Guaranty Agreement (the "Guaranty") is made on this 30<sup>th</sup> day of April, 2012 by **Wal-Mart Stores, Inc.**, a Delaware corporation ("Guarantor") in favor of **State of New Hampshire Public Utility Commission** ("Counterparty"), in consideration of the Counterparty's Reporting and Financial Requirements of Competitive Electric Power Suppliers pursuant to Puc 2003.01(d)(4) (the "Requirements") to **Texas Retail Energy, LLC**, a Delaware limited liability company ("TRE").

TRE is a subsidiary or affiliate of Guarantor and Guarantor will directly or indirectly benefit from TRE being a Competitive Electric Power Supplier (CEPS).

As part of the TRE's application to become a CEPS, the Counterparty will be extending credit to TRE, and Guarantor wishes to provide this Guaranty to the Counterparty as part of TRE's application and to induce the Counterparty to extend credit to TRE.

Accordingly, the Guarantor and the Counterparty hereby agree as follows:

1. **GUARANTY.** Subject to the terms and conditions contained herein, for value received, Guarantor unconditionally and irrevocably guarantees to the Counterparty, its successors and assigns, the prompt payment when due of all future payments due Counterparty from TRE arising under the Requirements, as amended from time to time (the "Obligations"). Notwithstanding the amount of the Obligations at any time, Guarantor's liability hereunder is limited to a maximum limit of **two hundred fifty thousand U.S. dollars (\$250,000)**. This Guaranty is one of payment and not of collection.

2. **GUARANTY ABSOLUTE.** The liability of Guarantor under this Guaranty shall be absolute, irrevocable and unconditional irrespective of:

- (a) any change in the time, manner, terms or place of payment of or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to departure from any Requirement or any other agreement or instrument executed in connection therewith;
- (b) any sale, exchange, release or non-perfection of any property standing as security for the liabilities hereby guaranteed or any liabilities incurred directly or indirectly hereunder or any setoff against any of said liabilities, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Obligations;
- (c) except as to applicable statutes of limitation, failure, omission, delay, waiver or refusal by the Counterparty to exercise, in whole or in part, any right or remedy held by the Counterparty with respect to any Requirement or any transaction under any Requirement; or
- (d) any bankruptcy, insolvency, reorganization, liquidation, receivership, or similar proceeding affecting TRE or its assets.

The obligations of the Guarantor hereunder are several and not joint with TRE or any other person, and are primary obligations for which the Guarantor is the principal obligor. There are no conditions precedent to the enforcement of this Guaranty, except as expressly contained herein. It shall not be necessary for the Counterparty, in order to enforce payment by the Guarantor under this Guaranty, to exhaust its remedies against TRE, any collateral pledged by TRE, any other guarantor, or any other person liable for the payment or performance of the Obligations. This Guaranty shall apply regardless of whether recovery of all such Obligations may be discharged or uncollectible in any bankruptcy, insolvency, reorganization, liquidation, receivership or similar proceeding affecting TRE or its assets.

3. **WAIVERS BY GUARANTOR.** Guarantor hereby waives:

- (a) except for the acceptance required from Counterparty in Section 15(c) below, notice of acceptance of this Guaranty, notice of the creation or existence of any of the Obligations and notice of any action by the Counterparty in reliance hereon or in connection herewith;
- (b) except as expressly set forth herein, presentment, demand for payment, notice of any dishonor or nonpayment, protest and notice of protest, notice of any default by TRE or any dispute between TRE and the Counterparty or any other notice of any other kind with respect to the Obligations; and
- (c) any requirement that any action, suit or proceeding be brought against, or any other action by the Counterparty be taken against, or any notice of default or other notice be given to, or any demand be made on, TRE or any other person, or that any other action be taken or not taken, including without limitation, filing any claim relating to the Obligations owing to Counterparty in the event that TRE becomes subject to a bankruptcy, reorganization or similar proceeding, as a condition to the Guarantor's liability for the Obligations under this Guaranty or as a condition to the enforcement of this Guaranty against the Guarantor.

4. **DEMANDS AND NOTICE.** Upon the failure by TRE to make payment due under a Requirement(s), the Counterparty shall provide the Guarantor with a copy of any notice(s) of default provided to TRE under the applicable Requirement(s), and the Counterparty shall make demand of payment upon the Guarantor. Such demand shall be in writing and shall state the amount TRE has failed to pay and an explanation of why such payment is due, with a specific statement that Counterparty is calling upon Guarantor to pay under this Guaranty. Subject to any limit set forth in Section 1 hereof, the Guarantor shall pay, or cause to be paid, such Obligations within ten (10) business days after receipt of such demand. A single written payment demand shall be effective as to any specific default during the continuance of such default, until TRE or Guarantor has cured such default, and additional written demands concerning such default shall not be required until such default is cured. If any payment to the Counterparty by Guarantor with respect to any Obligation is rescinded or must otherwise be returned for any reason whatsoever, the Guarantor shall remain liable hereunder with respect to such Obligation as if such payment had not been made.

5. **TERMINATION.** This is a continuing guaranty and shall remain in full force and effect unless and until terminated by Guarantor upon (10) business days' prior written notice to Counterparty. No termination shall affect, release or discharge Guarantor's liability with respect to any Obligations existing or arising under the Requirement(s) prior to the effective date of termination. The Guarantor further agrees that this Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time payment or any part thereof, of any Obligations or interest thereon, is rescinded or must otherwise be restored or returned by Counterparty upon the bankruptcy, insolvency, dissolution or reorganization of TRE.

6. **COSTS.** In the event that the Counterparty engages in litigation to enforce this Guaranty, Guarantor agrees to pay any and all reasonable costs and expenses incurred by the Counterparty as the result of enforcing this Guaranty, provided such costs and expenses shall be offset by any amount that TRE has paid to the Counterparty, and only if, and to the extent, the Counterparty is successful in its litigation and is awarded such reasonable costs and expenses as part of the ultimate determination of such litigation.

7. **SETOFFS AND COUNTERCLAIMS.** The Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses which TRE may have to payment of any Obligation, except for defenses arising out of the bankruptcy, insolvency, reorganization, liquidation, receivership or similar proceeding affecting TRE or its assets and except for defenses related to notice of acceptance, notice of Obligations, presentment, demand for payment, protest, notice of dishonor or nonpayment of the Obligations, suit, or the taking of other action by Counterparty against, and any other notice to, TRE, the Guarantor, or others.

8. **LIMITATIONS.** Guarantor's liability hereunder shall be limited to payments expressly required to be made under the Requirement(s) (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, except to the extent specifically provided in the Requirement(s) to be due the Counterparty.

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

10. **ASSIGNMENT.** This Guaranty shall inure to the benefit of the Counterparty, its successors, and assigns. The Counterparty shall not have the right to assign this Guaranty to any person or entity without the prior consent of the Guarantor, which consent shall not be unreasonably withheld. The Guarantor shall have no right to assign this Guaranty or its obligations hereunder without the prior written consent of the Counterparty, which consent shall not be unreasonably withheld.

11. **NO WAIVER; CUMULATIVE RIGHTS.** Except as to applicable statutes of limitation, no failure or delay on the part of Counterparty to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Counterparty of any right, remedy or power hereunder preclude any other or future exercise of any right, remedy or power. Each and every right, remedy and power hereby granted to Counterparty or allowed it by law or other agreement shall be cumulative and not exclusive of any other, and may be exercised by Counterparty from time to time.

12. **NOTICE.** Any demand, notice, request, instruction, 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 transmitted by facsimile, as follows:

To Guarantor  
Wal-Mart Stores, Inc.  
702 S.W. 8<sup>th</sup> Street, Mail Code 0215  
Bentonville, AR 72716  
Attention: Assistant General Counsel, Energy  
Fax No.: 479-277-5991

To Counterparty  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301-2429  
Attention: Executive Director and Secretary  
Fax No.: 603-271-3878

With a copy to:  
Texas Retail Energy LLC  
Dept. 8845  
2001 Southeast 10<sup>th</sup> Street  
Bentonville, AR 72716-0550  
Attention: Bryan Lacina  
Fax No.: 479-204-0936

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. All Notices transmitted 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.

13. **GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED, INTERPRETED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.**

14. **REPRESENTATIONS AND WARRANTIES.** The Guarantor represents and warrants to the Counterparty that:

- (a) the Guarantor is authorized, pursuant to all necessary corporate action to guaranty the Obligations and the execution, delivery and performance of this Guaranty does not contravene the Guarantor's organizational documents or any contractual restriction binding on the Guarantor or its assets;
- (b) the Guarantor is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all the corporate rights and powers necessary to execute, deliver and perform this Guaranty and that no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution, delivery and performance of this Guaranty;
- (c) the individual signing below is authorized to bind the Guarantor to its obligations under this Guaranty; and
- (d) This Guaranty constitutes the legal, valid, and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms and conditions, subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally and to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

15. **MISCELLANEOUS PROVISIONS.**

- (a) This Guaranty supersedes and terminates all prior guarantees to Counterparty or its affiliates issued by Guarantor for the benefit of TRE with respect to the subject matter hereof.
- (b) In the event that any provision of this Guaranty is declared to be illegal, invalid, or otherwise unenforceable by a court of competent jurisdiction or regulatory authority, the remainder of this Guaranty shall not be affected except to the extent necessary to delete such illegal, invalid, or unenforceable provision unless the deletion of such provision would substantially impair the respective benefits of the remaining portions of this Guaranty.
- (c) No amendment of this Guaranty shall be effective unless in writing and signed by Guarantor and Counterparty. No waiver of any provision of this Guaranty nor consent to any departure by the Guarantor therefrom shall in any event be effective unless such waiver shall be in writing and signed by Counterparty. Any such waiver shall be effective only in the specific instance and for the specific purpose for which it was given.
- (d) This Guaranty shall not be relied upon or enforced by any person other than Guarantor and Counterparty.
- (e) The captions in this Guaranty have been inserted for convenience only and shall be given no substantive meaning or significance whatsoever in construing the terms and provisions of this Guaranty.

IN WITNESS WHEREOF, Guarantor has signed the Guaranty as of the date first above written.

Wal-Mart Stores, Inc.

By:   
Title: Jeffrey Davis, Senior Vice President, Finance and Treasurer