

GUARANTEE

GUARANTOR: _____
(the "Guarantor")

LENDER: _____
(the "Lender")

BORROWER: _____
(the "Borrower")

DEBT: \$ _____ (_____ Dollars)
(the "Principal Sum")

DATED: _____, 20 _____

AGREEMENT made effective the _____ day of _____ 20____ by _____, of the _____ of _____, Province of Saskatchewan (the "Guarantor") to and in favour of _____(the "Lender").

IN CONSIDERATION of the Lender agreeing to make a loan to the Borrower of the Principal Sum, the Guarantor agrees with the Lender as follows:

1. Guaranteed Obligations

The Guarantor irrevocably and unconditionally guarantees the due and punctual payment and performance of all debts, liabilities and obligations up to a maximum principal sum of \$ _____ (_____ Dollars) (the "Principal Sum"), together with interest thereon from the date of demand for payment at the rate specified in Paragraph 4, (collectively the "Guaranteed Obligations") of _____ (the "Borrower") to the Lender whenever, however or wherever incurred and any ultimate unpaid balance thereof.

2. Costs and expenses

The Guarantor agrees to pay the Lender, upon demand, all out-of-pocket costs and expenses (including, without limitation, legal fees on a solicitor and client basis) incurred by or on behalf of the Lender in connection with enforcing any of its rights against the Borrower in respect of the Guaranteed Obligations or against the Guarantor.

3. Right to immediate payment

The Lender shall not be bound to seek or exhaust their recourse against the Borrower or any other persons or to realize on any securities it may hold in respect of the Guaranteed Obligations before being entitled to payment from the Guarantor under this agreement and the Guarantor renounces all benefits of discussion and division.

4. Payment on demand

The liability of the Guarantor shall be payable immediately upon written demand and such demand shall be conclusively deemed to have been effectually made and given when made in writing, and delivered personally, by hand, or by pre-paid courier, or delivered by facsimile transmission to the Guarantor or to the Guarantor's legal representatives at the following addresses:

in the case of the Guarantor:

in the case of the Guarantor's legal representative:

Attention: _____

Facsimile: _____

The liability of the Guarantor shall bear interest from the date of such demand at the rate of _____ % (_____ per centum) per annum (calculated and compounded monthly).

5. Liability absolute

The liability of the Guarantor shall be absolute and unconditional irrespective of:

- (a) the invalidity, unenforceability or illegality, in whole or in part, of any agreements, instruments or other documents held by the Lender to create, represent or evidence any Guaranteed Obligations;
- (b) any defence, counterclaim or right of set-off available to the Borrower;
- (c) any change in the name, objects, capital, constating documents or by-laws of the Borrower;
- (d) any amalgamation, merger or re-organization of the Borrower or, if a partnership, in the firm, including, without limitation, by reason of the death, retirement or admission for membership of any partners (in which case this agreement shall apply to the corporation or partnership, as the case may be, resulting or continuing therefrom); or
- (e) any other circumstances which might otherwise constitute, in whole or in part, a defence available to, or a discharge of, the Guarantor, the Borrower, or any other persons, firms or corporations in respect of the Guaranteed Obligations or the liability of the Guarantor.

6. Dealings by the Lender

The Lender may, without giving notice to or obtaining the consent of the Guarantor, grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases

and discharges, whether full, partial, conditional or otherwise, perfect or fail to perfect any securities, release any undertaking, property or assets charged by any securities to third parties and otherwise deal or fail to deal with the Borrower and others (including, without limitation, any other guarantors) and securities, hold any moneys received from the Borrower and others or from any securities unappropriated, apply such moneys against such part of the Guaranteed Obligations and change any such application in whole or in part from time to time, all as the Lender may see fit, without prejudice to or in any way discharging or diminishing the liability of the Guarantor and no loss of or in respect of any securities received by the Lender from the Borrower or any other persons, whether occasioned through the fault of the Lender or otherwise, shall in any way discharge or diminish the liability of the Guarantor.

7. Continuing nature and reinstatement

This agreement is a continuing guarantee and shall apply to and secure payment of all Guaranteed Obligations and any ultimate unpaid balance thereof. This agreement shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Lenders upon the insolvency, bankruptcy or reorganization of the Borrower or for any other reason whatsoever, all as though such payment had not been made.

8. Liquidation, bankruptcy, etc.

In the event of any liquidation, winding up or bankruptcy of the Borrower (whether voluntary or compulsory) or in the event that the Borrower shall make a bulk sale of any of their assets within the bulk transfer provisions of any applicable legislation or any composition with creditors or scheme of arrangement, the Lender shall have the right to rank in priority to the Guarantor for its claim in respect of the Guaranteed Obligations and to receive all dividends or other payments in respect thereof until its claim has been paid in full, all without prejudice to its claim against the Guarantor who shall continue to be liable for any remaining unpaid balance of the Guaranteed Obligations.

9. Waiver of subrogation rights

In the event that the Lender receive any payments on account of the liability of the Guarantor, the Guarantor shall not have, and waives to the extent required, all rights to claim repayment from or against the Borrower and any other guarantors and all rights to be subrogated to any rights of the Lenders, until the Guaranteed Obligations have been paid in full.

10. No rights of set-off

All amounts payable by the Guarantor shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever unless and to the extent that the Guarantor shall be prohibited by law from doing so, in which case the Guarantor shall pay to the Lender such additional amount as shall be necessary to ensure that the Lenders receive the full amount they would have received if no such deduction or withholding had been made.

11. Assignment of Debts and Liabilities

All debts and liabilities present and future of the Borrower to the Guarantor are hereby assigned to the Lender and postponed to the Guaranteed Obligations, and all monies received by the Guarantor in respect thereof shall be received in trust for the Lender and upon receipt shall be paid over to the Lender,

all without in any way lessening or limiting the liability of the Guarantor and this assignment and postponement is independent of the Guarantee and shall remain in full force and effect until repayment of the Guaranteed Obligations in full to the Lender.

12. Collection and Use of Information

The Guarantor acknowledges and agrees that the Lender may collect and gather personal, financial and credit information from and about the Guarantor to obtain credit reports and evaluate the Guarantor's credit rating and credit worthiness, to determine the Guarantor's financial situation and make decisions about the Guaranteed Obligations, to administer, monitor and collect the Guaranteed Obligations and to comply with legal, security and regulatory requirements. The Guarantor acknowledges and agrees that the Lender may share this personal, financial and credit information with the Borrower where, in the opinion of the Lender, any change in the Guarantor's personal, financial and credit information affects the ability to collect the Guaranteed Obligations.

13. Entire agreement

There are no representations, conditions, agreements or understandings with respect to this agreement or affecting the liability of the Guarantor other than as set forth or referred to in this agreement.

14. Joint and Several

If more than one Guarantor executes this Guarantee, all obligations and covenants shall be construed as both joint and several. When the context so requires the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male/female, firm or corporation.

15. Additional security

This agreement is in addition and without prejudice to any security of any kind (including, without limitation, any guarantees, whether or not in the same form as this agreement) held by the Lender.

16. Further assurances

The Guarantor shall from time to time upon the request of the Lender, execute and deliver, under seal or otherwise, all such further agreements, instruments and documents and do all such further acts and things as the Lender may require to give effect to the transactions contemplated by this agreement.

17. Changes

This Guarantee may only be amended by writing executed by the Lender. No agreement has the effect of diminishing or discharging the liability of the Guarantor under this Guarantee unless the agreement is in writing and executed by the Lender.

18. Severability

In the event any provision of this agreement is determined to be unenforceable or void by a court of competent jurisdiction, such provision is deemed to be severable and such determination shall solely

affect such provision and shall not, in itself, impair or render void or unenforceable the remaining provisions of this agreement.

19. Successors, assigns and governing law

This agreement shall enure to the benefit of and be binding upon the respective heirs, legal representatives, successors and assigns of each of the Guarantor and the Lender, and shall be governed by and construed in accordance with the laws of Saskatchewan. The Guarantor irrevocably submits to the jurisdiction of the courts of Saskatchewan in any action or proceeding arising out of or relating to this agreement but nothing shall prevent the Lender from enforcing this agreement or any related judgment against the Guarantor in any other jurisdiction.

20. No Waiver

No term, condition or provision of this Guarantee or any right hereunder or in respect hereof, can or shall be deemed to have been waived except by express waiver signed by the Lender. Neither forbearance nor indulgence by the Lender shall constitute a waiver of any term, condition, or provision to be performed or observed by the Guarantor or any act of performance or observance of the Guarantee.

21. Acknowledgement

The Guarantor acknowledges having read the terms and conditions of the Guarantee and having received a copy of the Guarantee. The Guarantor hereby waives its right to receive a copy of any financing statement, financing change statement, verification statement or verification change statement which may be filed by or issued to the Lender pursuant to *The Personal Property Security Act, 1993* (Saskatchewan).

[SIGNATURE PAGE FOLLOWS]

SIGNED, SEALED AND DELIVERED at the _____ of _____ in the Province of Saskatchewan, effective the _____ day of 20____.

Signed Sealed and Delivered
in the presence of:

(signature of witness)

Guarantor,

ACKNOWLEDGMENT

I, _____ of the _____ of _____, in the Province of Saskatchewan, hereby acknowledge:

1. That I am aware of the contents of the Guarantee to which this Acknowledgment is attached and I understand the Guarantee.
2. That I have executed the Guarantee freely and voluntarily, separate and apart from _____ (the "Lender"), and the Lender has not used any compulsion nor has the aforesaid made any threat or exercised any undue influence to induce me to execute the Guarantee.
3. That I have received independent legal advice respecting the Guarantee as outlined above.

Dated at the _____ of _____, in the Province of Saskatchewan, this _____ day of _____, 20____.

Guarantor,

**ACKNOWLEDGEMENT OF GUARANTEE
CERTIFICATE OF LAWYER OR NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

1. _____ of _____, in the Province of Saskatchewan, the guarantor in the guarantee dated _____ made between _____ and _____, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee.
2. I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.
3. I have not prepared any documents on behalf of the creditor, _____, relating to the transaction and I am not otherwise interested in the transaction.
4. I acknowledge that the guarantor signed the following "Statement of Guarantor" in my presence.

GIVEN at _____, Saskatchewan this ____ day of _____, _____, under my hand and seal of office.

(SEAL REQUIRED WHERE
NOTARY PUBLIC SIGNS
CERTIFICATE)

A LAWYER OR NOTARY PUBLIC
IN AND FOR SASKATCHEWAN

STATEMENT OF GUARANTOR

I am the person named in the certificate.

Signature of Guarantor.