



GUARANTEE

1220 Yonge Street, Suite 201, Toronto, Ontario, M4T 1W1

1. For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned ("**Guarantor**") unconditionally and irrevocably guarantees to Gould Leasing Ltd. ("**GLL**") the full and prompt performance by ("**Debtor**") of all obligations (the "**Obligations**") which Debtor presently or hereafter may have to GLL whether under a lease, lease schedule, promissory note, conditional sales agreement, chattel mortgage, loan agreement, debenture or any other instrument or instrument (hereinafter singularly or collectively called the "**Agreements**") and payment when due of all sums presently or hereafter owing by Debtor to GLL arising under the Agreements. Guarantor will indemnify GLL against all losses, damages, costs and expenses (including legal costs on a substantial indemnity basis) which may be incurred by it by reason of any default on the part of the Debtor in performing its Obligations.
2. Guarantor agrees that it shall not be necessary as a condition to enforce this Guarantee, that suit be first instituted against the Debtor or that any of GLL's rights and remedies against the Debtor be first exhausted, it being agreed and understood that Guarantor is jointly and severally obliged with Debtor for the due and complete performance of the Obligations and that the liability of the Guarantor hereunder shall be primary, direct and in all respects unconditional.
3. Separate from and in addition to the Guarantor's said obligations and as the direct and sole obligation of the Guarantor, the Guarantor agrees that if the Debtor should become bankrupt or insolvent or make a general assignment for the benefit of its creditors, the Guarantor shall assume the Obligations as set-out in the Agreements in the same manner as if originally named therein, and will perform as covenants and conditions and make all payments therein provided to be performed or made by the Debtor thereunder, and if required by GLL, will execute, deliver and be bound by Agreements in the same terms and conditions as the Agreements and will indemnify GLL against any loss or damages resulting from such bankruptcy or insolvency of Debtor.
4. In the event that the amounts due from the Guarantor to GLL hereunder are not paid when due, such unpaid amounts shall bear interest at a rate of twenty four percent (24%) per annum, from the due date until date of actual payment. All amounts due to GLL by Guarantor shall be payable on demand and the date of such demand shall be the due date.
5. This shall be a continuing guarantee and indemnity and irrespective of the lack of any such notice to or consent of the Guarantor, its obligations hereunder shall not be impaired in any manner whatsoever by any:
 - (a) new agreements or obligations of Debtor with or to GLL, amendments, extensions, modifications, renewals or waivers of default as to any existing or future agreements or obligations of Debtor or third parties with or to GLL or extensions of credit by GLL to Debtor;
 - (b) adjustments, compromises or releases of any Obligations of Debtor, Guarantor, or any other parties, or exchanges, releases or sales of any security of Debtor, Guarantor or other parties; or
 - (c) the invalidity or unenforceability, for any reason, of any instrument of writing, or acts of commission or omission by GLL or Debtor including, without limiting the generality hereof, failure to file or register any document or to take any other action to make the Agreements enforceable in accordance with their respective terms.
6. Notice of GLL's acceptance hereof, or default or non-payment by Debtor or any other parties, of presentment, protest and demand, and of all other matters of which Guarantor otherwise might be entitled, is hereby waived.
7. The obligations hereunder of Guarantor shall be binding upon its successors, heirs, personal representative and assigns. The dissolution or release from liability of any other guarantor shall not relieve the undersigned Guarantor from liability hereunder.
8. Guarantor shall reimburse GLL on demand, for all expenses incurred by it in the enforcement or attempted enforcement of any of its rights hereunder against Debtor or the undersigned Guarantor, including costs and legal fees on a full indemnity.
9. This Guarantee is assignable by GLL without notice and shall enure to the benefit of its successors and assigns. Legal rights and obligations hereunder shall be determined in accordance with the laws of the province of Ontario, provided always that nothing herein contained shall prevent GLL from proceeding at its election against the Guarantor in the courts of any other Province or Country.
10. Guarantor waives any right to require GLL to (a) pursue any other remedy in GLL's power whatsoever, or (b) notify Guarantor of any default by Debtor in payment of any sums reserved in the Agreements or in the performance of any term, covenant or conditions therein required to be kept observed or performed by Debtor or by reason of the cessation from any cause whatsoever of the liability of Debtor. Guarantor shall have no right of subrogation and waives any right to enforce any remedy which GLL now has or may hereafter have against Debtor and further waives any benefit of any right to participate in any security now or hereafter held by GLL. Guarantor waives any and all of Guarantor's right, benefits and protections given or afforded by Sections 19 to 24 inclusive of the Sale of Goods on Condition Act of British Columbia, as amended, sections 23 to 28 of the Chattel Mortgages Act of British Columbia, as amended, Section 49 of the Law of Property Act of Alberta as amended, the provisions of the Limitations of Civil Rights of Saskatchewan as amended, and Section 1959 of the Civil Code of Lower Canada as amended. The Guarantor hereby also expressly waives any and all subrogation in any rights or guarantees of GLL and acknowledges and covenants that its responsibility will not be lesser or modified in any way if for any reason, where occasioned by the fault of GLL or otherwise, subrogation in its favour cannot happen.
11. No alteration or waiver of this Guarantee or any of its terms, provisions or conditions shall be binding on GLL unless made in writing over the signature of an authorized representative of GLL.
12. Guarantor hereby acknowledges that it is familiar with and has examined the terms and conditions of this Guarantee and the Agreements and consents to and approves the same. Guarantor warrants and represents to GLL that all necessary corporate action and other proceedings have been taken by it to make the guarantee herein contained valid and legal, and to constitute its guarantee hereunder the legal, valid and binding obligation of Guarantor enforceable against it in accordance with its terms, Guarantor acknowledges that there are no representations made by GLL as to this Guarantee or the Agreements which are not contained herein.
13. If at least two individuals, companies, corporations, partnerships or other commercial entities (or any combination thereof) sign this Guarantee as Guarantor, the liability of each of them hereunder is joint and several. In the same fashion, if the Guarantor named in this Guarantee is a partnership or any other commercial entity the members of which are personally liable in virtue of any statute or legislation, then the liability of each member thereof is joint and several. Consequently, if there is any stated limit on the liability of the Guarantor hereunder, such limit shall be the limit of each individual, company, corporation, partnership or other commercial entity which has signed this Guarantee as Guarantor and, in the case of such partnership or other commercial entity, each of their respective members, and each of these persons and entities shall be jointly and severally liable to the extent of such limit. The Guarantor waives all benefits of discussion and division. A separate action or actions may be brought and prosecuted against Guarantor, whether an action is brought against Debtor or whether Debtor be joined in any such action or actions; and Guarantor waives the benefit of any statute of limitations affecting is liability hereunder of the enforcement hereof.
14. This Guarantee is in addition to, and not in substitution for any and all guarantees previously granted by Guarantor in favour of GLL.
15. The parties hereby acknowledge that they have required this contract and all other agreements and notices required or permitted to be entered into or given pursuant hereto, to be drawn up in the English Language. Les parties reconnaissent avoir demandé que le présent contrat ainsi qu'une autre entente ou avis requis ou permis à être conclu ou donné en vertu des dispositions du présent contrat, soient rédigés en langue anglaise.

IN WITNESS WHEREOF the undersigned has duly signed, sealed and delivered this Guarantee this _____ day of _____, 20____

(Print name of Witness)

(Print name of Guarantor)

(Signature of Witness)

(Signature of Guarantor)

(seal)

NOTES:
1. If Guarantor is a corporation, Guarantee should be executed under the corporate seal of the corporation by directors and/or officers duly authorized, their official position being indicated. The name of Guarantor whether an individual, or partnership the signature of Guarantor should be witnessed and, if a partnership, all partners must sign.