

## GUARANTEE AGREEMENT

In this Guarantee:

- (a) "Mortgage" means that certain mortgage of land dated \_\_\_\_\_, given by the Mortgagor to us in the principal amount of \$\_\_\_\_\_ charging the Property and any renewals thereof and amendments thereto;
- (b) "Mortgagor" means \_\_\_\_\_;
- (c) "Property" means the property legally described in Schedule "A" hereto;
- (d) "you" and "your" means each person who signs this Guarantee as guarantor; and
- (e) "we", "our" and "us" means Regency Finance Corp. and its successors and assigns.

IN CONSIDERATION OF us making a loan or loans to the Mortgagor, you agree with us as follows:

1. You unconditionally guarantee to us the payment of all amounts payable under the Mortgage and the full performance and discharge of all other obligations of the Mortgagor under the Mortgage at the times and in the manner provided for in the Mortgage, plus the payment of any expenses, including legal costs on a solicitor/client basis, incurred by us in enforcing any of our rights under this Guarantee. Where there is more than one person who signs this Guarantee, the obligations hereunder shall be joint and several.
2. If the Mortgagor defaults in making any payment or in performing any other obligation under the Mortgage, you agree to pay us, upon written demand, all of the amounts owing under the Mortgage and to comply with all of the other obligations under the Mortgage which have not been performed by the Mortgagor. Demand will be conclusively deemed to be made when the envelope containing it addressed to you, at your last address known to us, is deposited, postage prepaid, in the post office and your liability hereunder shall bear interest from the date of such demand at the rate set forth in the Mortgage.
3. We can, at any time, without releasing or lessening your liability under this Guarantee and without obtaining your consent or giving notice to you:
  - (a) make new advances under the Mortgage from time to time;
  - (b) grant any extensions of time for payment and extensions of the term of the Mortgage and make any variations, amendments, replacements, additions or renewals of the Mortgage;
  - (c) increase the rate of interest payable under the Mortgage or on any debt secured under the Mortgage, either during the initial term or in any subsequent renewal periods; and
  - (d) release the whole or any part of the Property from the Mortgage or otherwise deal with the Mortgagor, you, the indebtedness secured by the Mortgage, the Property or any other security as we see fit.

4. No delay or carelessness or neglect by us in asserting any of our rights, or the loss of any such rights by operation of law, nor the loss or destruction of any security nor the lack of validity or enforceability of all or any part of the Mortgage or any other security held or any document evidencing any part of the indebtedness or liability secured by the Mortgage will in any way release or lessen your liability under this Guarantee.
5. We may require payment from you under this Guarantee without first exhausting our recourse against the Mortgagor or any other person, including any other guarantor, or on any security, including, without limitation, the Mortgage. The obligations of you under this Guarantee are not affected by the release of any Mortgagor or any other person, including any other guarantor, of their obligations under the Mortgage or otherwise, or any compromise or termination of the Mortgage whether in bankruptcy proceedings or otherwise. You will pay us as a principal debtor any amount that we cannot recover from you as guarantor immediately following demand as provided in this Guarantee.
6. There are no representations, collateral agreements or conditions with respect to, or affecting your obligations under, this Guarantee other than as contained herein.
7. This Guarantee shall be governed in all respects by the laws of the Province of Alberta.
8. Your obligations hereunder shall be binding upon you and your heirs, executors, administrators, successors and assigns.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
(Guarantor)

\_\_\_\_\_  
Witness

\_\_\_\_\_  
(Guarantor)

**GUARANTEES ACKNOWLEDGEMENT ACT  
(Section 3)**

**CERTIFICATE OF NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

1. \_\_\_\_\_, of \_\_\_\_\_, in the \_\_\_\_\_ of \_\_\_\_\_, the Guarantor in the Guarantee dated the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, made between \_\_\_\_\_ and Regency Finance Corp., 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 him/her that he/she is aware of the contents of the Guarantee and understands it.

GIVEN at \_\_\_\_\_, in the \_\_\_\_\_ of \_\_\_\_\_, this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, under my hand and seal of office.

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_

**STATEMENT OF GUARANTOR**

I am the person named in this Certificate.

\_\_\_\_\_  
*Signature of Guarantor*