

## GUARANTY

TO: Bank

For valuable consideration, receipt of which is hereby acknowledged, the undersigned Guarantor does hereby absolutely and unconditionally, as primary obligor, guaranty you will receive pursuant to a Note (the "Note") of even date between ABC Corp. ("Debtor") and Bank ("Secured Party") sums not less than: an amount equal to \$1,000,000.00, payable in level monthly payments of principal, plus accrued interest, said payments to commence on October 1, 2013 and continuing on the same day of each month until a final payment on October 1, 2015.

This Guaranty is made and shall continue as to any and all sums owing under the Note, without regard to collateral, security, or other primary or secondary obligors, if any. It is hereby consented and agreed that without notice and without in any manner affecting or impairing the obligations created hereby you may (if otherwise permitted by the relevant instrument), sell, release, surrender, exchange, substitute, settle, compromise, waive, subordinate or modify, with or without consideration and on such terms and conditions as may be acceptable to you, any and all collateral, security, guarantees, obligations, instruments, or other evidence of obligation which ABC Corp. is obligated for and concerning which payment is guaranteed hereby.

A separate action or actions may, at your option, be brought and prosecuted against the undersigned, whether or not any action is first or subsequently brought against ABC Corp. or whether or not ABC Corp. is joined in any such action, and the undersigned may be joined in any action or proceeding commenced by you against ABC Corp. arising out of, in connection with or based upon the Note. The undersigned waives any right to require you to proceed against ABC Corp. or to pursue any other remedy in your power whatsoever, any right to complain of delay in the enforcement of your rights by you and/or prior action by you of any nature whatsoever against ABC Corp., or otherwise.

The undersigned shall remain obligated hereunder notwithstanding that, without any reservation of rights against the undersigned, and without notice to or further assent by the undersigned, any demand for payment of any of the obligations under the Note may be rescinded by Bank, or any of the obligations under the Note continued, or any collateral security or guaranty therefor or right of offset with respect thereto may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by Bank, or the Note or any document executed in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as Bank may deem advisable from time to time, or any collateral security, guaranty or right of offset at any time held by Bank for the payment of the obligations under the Note may be sold, exchanged, waived, surrendered or released. Bank shall have no obligation to protect, secure, perfect or insure any lien at any time held by it as security for the obligations under the Note or for this Guaranty or any property subject thereto.

The undersigned waives any and all notice of the creation, renewal, extension or accrual of any of the obligations and notice of or proof of reliance by ABC Corp. upon this Guaranty or acceptance of this Guaranty, and the obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred in reliance upon this Guaranty. The undersigned

waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon ABC Corp. or the undersigned with respect to the obligations under the Note. This Guaranty shall be construed as a continuing absolute and unconditional guaranty of payment without regard to (a) the validity or enforceability of the Security Agreement, the Note, or right of offset with respect thereto at any time or from time to time held by Bank, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by Bank against ABC Corp., or (c) any other circumstances whatsoever (with or without notice to or knowledge of ABC Corp. or to the undersigned) which constitutes, or might be construed to constitute an equitable or legal discharge of ABC Corp. for the obligations under the Note, or to the undersigned under this Guaranty, in bankruptcy or in any other instance. When pursuing their rights and remedies hereunder against the undersigned, Bank may, but shall be under no obligation to, pursue such rights and remedies as it may have against ABC Corp. or any other person or entity or against any collateral security or guaranty for the obligations under the note or any right of offset with respect thereto, and any failure by Bank to pursue such other rights or remedies or to collect any payments from ABC Corp. or any such other person or entity or to realize upon any such collateral security or guaranty or to exercise any such right of offset, or any release of ABC Corp. or any such other person or entity or any such collateral security, guaranty or right of offset, shall not relieve the undersigned of any liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of Bank against the undersigned.

This Guaranty shall remain in full force and effect notwithstanding the institution by or against ABC Corp. of bankruptcy, reorganization, readjustment, receivership or insolvency proceedings of any nature, or the disaffirmance of the Note in any such proceedings or otherwise. Nothing shall discharge or satisfy the liability of undersigned except the full payment and performance of all of ABC Corp.'s and the undersigned's duties and obligations to you.

In the event that you should institute any suit against the undersigned for violation of or to enforce any of the covenants or conditions of this Guaranty or to enforce any right of yours hereunder, and in the event of your recovery upon such suit of a significant amount of your claim, you shall be entitled to reasonable attorney fees and other reasonable litigation costs.

The execution of this Guaranty prior to execution of the Note shall not invalidate this Guaranty or lessen the obligations of the undersigned hereunder.

The undersigned shall have no right of subrogation, reimbursement or indemnity whatsoever, nor any right of recourse to security for the debts and obligations of ABC Corp. to you, unless and until all such obligations have been paid in full. The undersigned agrees that the undersigned shall not be entitled to and hereby waives any right to notice of the disposition of any security which you may hold from ABC Corp. or otherwise and the undersigned waives any right to object to the commercial reasonableness of the disposition of any such security. Your books and records showing the account between you and ABC Corp. shall be admissible in any action or proceeding, shall be binding upon the undersigned for the purpose of establishing the obligations due you from ABC Corp. and shall constitute prima facie proof of the obligations of ABC Corp. to you, as well as the undersigned's obligations to you.

This Guaranty shall be binding upon the undersigned and his heirs, personal representatives, and administrators, and shall inure to your benefit and the benefit of your successors and assigns. You may, without notice, assign this Guaranty in whole or in part.

This Guaranty's validity and construction shall be governed by the laws of [\* \_\_\_\_\_\*].

This Guaranty is freely and voluntarily given to you by the undersigned, without any duress or coercion, and after the undersigned has either consulted with counsel or been given an opportunity to do so. The undersigned has carefully and completely read all of the terms and provisions of this Guaranty.

By: \_\_\_\_\_  
John Smith

STATE OF [\* \_\_\_\_\_\*] )

COUNTY OF [\* \_\_\_\_\_\*] )

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_ by John Smith.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_