

Personal Guarantee Terms And Conditions

Guarantees the due payment and discharge of the Member's indebtedness to the Credit Union now or hereafter incurred on all accounts of the Member with the Credit Union, whether solely or on joint account or in partnership and of the Member's liability to the Credit Union whether as principal or surety; including without limitation thereto, the repayment of all moneys advanced or which may be advanced by the Credit Union to the Member or to others on the faith or paper of the Member, all liabilities direct or indirect to which the Credit Union may become subject as a result of making advances to or dealing with the Member, the due payment of all monies which are now or may at any time hereafter become due or owing directly or indirectly from the Member to the Credit Union on the ultimate balance of such accounts or liabilities whether absolute or contingent and all interest, commissions, costs (including legal fees), charges and expenses that may be incurred by the Credit Union respecting such advances, liabilities, ultimate balance or any security therefor, and the Guarantor agrees to the following terms and conditions:

1. The liability of the Guarantor hereunder shall be unlimited and shall bear interest from the date of demand for payment as hereinafter provided.
2. If more than one Guarantor executes this Guarantee the provisions hereof shall be read with all necessary grammatical changes, each reference to the Guarantor shall include each and every one of the undersigned severally, and this Guarantee and all covenants and agreements herein contained, shall be deemed to have been made by the undersigned jointly and severally.
3. The Credit Union may compound with or grant extensions of time or other indulgence to the Member or with or to any person or persons liable to the Credit Union for the indebtedness and liability hereby guaranteed or any part thereof, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Member, with other parties and with security as the Credit Union may see fit. The Credit Union may apply all moneys received from the Member or others, or from security, upon such part of the Member's indebtedness and liability to the Credit Union as it may think best, without prejudice to and without in any way limiting or lessening the liability of the Guarantor under this Guarantee.
4. Neither the failure of the Credit Union to take any security that the Guarantor contemplated it would take nor the failure of the Credit Union to perfect any security shall prejudice, or in any way limit or lessen the liability of the Guarantor under this Guarantee. The Guarantor expressly waives presentment, demand, notice of dishonour, protest and all other notices whatsoever as well as diligence in collection or protection of or realization upon all or any of the Member's indebtedness and liability to the Credit Union or any obligation hereunder or any security for any of the foregoing.
5. No loss of or in respect of security received by the Credit Union from the Member or any other person, whether occasioned through the fault of the Credit Union or otherwise, shall discharge pro tanto, limit or lessen the liability of the Guarantor under this Guarantee. Neither the Credit Union nor any of its directors, officers, employees or agents shall be responsible in negligence for any act taken or omitted to be taken by the Credit Union or any of them in connection with any such security.
6. This Guarantee shall be binding on the Guarantor as a continuing guarantee in that it shall remain operative and binding notwithstanding the settlement of the Member's indebtedness and liability to the Credit Union at any time or times or any payment from time to time made to the Credit Union respecting such indebtedness and liability and notwithstanding whether any other person or corporation now or hereafter liable to the Credit Union for the indebtedness and liability, in whole or in part, of the Member to the Credit Union shall cease to be so liable whether by release from such liability by the Credit Union or by operation of law. Provided that the Guarantor or the executors, administrators or successors of the Guarantor may determine further liability under this Guarantee (except for the indebtedness and liability of the Member to the Credit Union arising out of requirements of the Member based on agreements express or implied made before the receipt by the Credit Union of the written notice hereinafter mentioned) for moneys advanced to the Member or to others on the faith of the Member's paper after the Guarantor or the executors, administrators or successors of Guarantor shall have given to the Credit Union written notice of such determination.
7. This Guarantee shall not be determined or affected or the Credit Union's rights prejudiced by the determination of this Guarantee as to one or more other Guarantors or by the death or loss or diminution of capacity of any other Guarantor or by any change in the name, business, membership, board of directors, powers, objects, organization or management of the Member, it being understood that where the Member is a partnership or corporation this Guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Member notwithstanding any change in the name or membership of the Member if a partnership or, if a corporation, any change in the name of the Member or its re-organization or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
8. The Credit Union, where the Member is a corporation or a partnership, shall not be concerned to inquire into the powers of the Member or the authority of its directors, partners or agents acting or purporting to act in the exercise thereof, and moneys, advances, renewals or credits thereby borrowed or obtained from the Credit Union shall be deemed to form part of the indebtedness and liability hereby guaranteed even though such borrowing or obtaining was irregularly, fraudulently, defectively or without authority effected notwithstanding that the Credit Union has specific notice of the powers of the Member or of the authority of its directors, partners or agents. Any amount which may not be recoverable from the Guarantor on the basis of a guarantee by reason of any legal limitation, disability or incapacity on or of the Member shall nevertheless be recoverable from the Guarantor as principal debtor in respect thereof. For purposes of this Guarantee, the indebtedness and liability of the Member shall include every obligation of the Member to the Credit Union notwithstanding any right or power of the Member or anyone else to assert any claim or defense respecting the invalidity or unenforceability of any such obligation, and no such claim or defense shall impair or affect the liability hereunder of the Guarantor.
9. The statement to the Guarantor in writing of the indebtedness and liability of the Member to the Credit Union by the manager or acting manager at the time such statement is given at the branch where the Member's account is kept shall be binding and conclusive, absent manifest error, and all right to question in any way the Credit Union's present or future method of dealing with the Member or any dealing with any person or persons now or hereafter liable to the Credit Union for the indebtedness and liability hereby guaranteed or any part thereof or with any security now or hereafter held by the Credit Union or with any goods or property covered by such security are hereby waived. The Guarantor hereby renounces all benefits of discussion and division, and the Credit Union shall not be bound to exhaust its recourse against the Member or other person or persons or the security the Credit Union may hold nor to value such security before requiring or being entitled to payment from the Guarantor.
10. Should the Credit Union receive from the Guarantor any payment or payments either in full or on account of the Guarantor's liability under this Guarantee, the Guarantor shall not be entitled to any security, or a share therein, held by the Credit Union to secure payment of the Member's ultimate balance outstanding with the Credit Union nor to claim reimbursement against the Member until the Credit Union's claim against the Member has been paid in full. Notwithstanding payment of the Guarantor's liability under this Guarantee, the Guarantor will not call

Personal Guarantee Terms And Conditions (Cont'd)

- on the Credit Union to sue the Member respecting the indebtedness and liability guaranteed hereunder nor will the Guarantor sue the Member in the name of the Credit Union on account of such indebtedness and liability. In case of any liquidation, winding-up or bankruptcy of any other Guarantor or the Member, or in the event that the Member shall make a sale of any of the Member's assets within the bulk transfer provisions of any applicable legislation, or in the case of any composition with creditors or scheme of arrangement, the Credit Union shall have the right to rank for its full claim and receive all dividends or other payments in respect thereof until its claim has been paid in full; any and all right to prove and rank for any Obligations (hereinafter defined) or any amount paid by the Guarantor under this Guarantee and to receive the full amount of all dividends or payments in respect thereto being hereby assigned and transferred to the Credit Union, and the Guarantor shall continue liable up to the amount guaranteed, less any payments made by the Guarantor, for any balance which may be owing to the Credit Union by the Member. In the event of the valuation by the Credit Union of any of its security and/or the retention thereof by the Credit Union, such valuation and/or retention shall not, as between the Credit Union and the Guarantor, be considered as a purchase of such security, or as payment, satisfaction or reduction of the Member's indebtedness and liability to the Credit Union.
11. The Guarantor shall be liable to make payment to the Credit Union on account of the indebtedness and liability of the Member to the Credit Union without prior demand therefor by the Credit Union from the guarantor, and the Credit Union may without demand or notice of any kind at any time when any amount shall be due and payable hereunder by the Guarantor to the Credit Union appropriate and apply to the indebtedness and liability hereby guaranteed (and in such order of application as the Credit Union may from time to time elect) any property, balances, credits, accounts or moneys of the guarantor in the possession or control of the Credit Union for any purpose. A demand hereunder, if made, shall be deemed to have been made when an envelope containing the demand and addressed to the guarantor at the last address of the guarantor known to the Credit Union is deposited, postage prepaid and registered, in the Post Office. The liability hereunder of the Guarantor shall bear interest from the date of such demand at the rate or rates payable by the Member to the Credit Union on the indebtedness and liability of the Member to the Credit Union.
12. All debts and liabilities of the Member to the Guarantor, present and future (the "Obligations"), are hereby postponed and subordinated to the indebtedness and liability of the Member to the Credit Union, and all moneys received by the Guarantor from the Member or for the account of the Member respecting the Obligations shall be received in trust for the Credit Union and forthwith upon such receipt paid over to the Credit Union until the Member's indebtedness and liability to the Credit Union are fully paid and satisfied; all without prejudice to and without in any way limiting or lessening the liability of the guarantor to the Credit Union under this Guarantee. Except with the written consent of the Credit Union, or until such indebtedness and liability are fully paid and satisfied, the Guarantor shall not release, discharge, assign, pledge or in any other manner whatsoever exercise any right respecting or deal with any or all of the Obligations and the Guarantor shall make, execute and deliver such further and other assurances and do all matters and things which the Credit Union deems necessary or advisable for the protection of its rights under and by virtue of this postponement and subordination. And the Guarantor hereby declares that no security has been taken from the Member by the Guarantor for the giving of this Guarantee and agrees not to take any such security so long as the Guarantor's liability hereunder remains outstanding without first obtaining the written consent of the Credit Union, and, in the event that the Guarantor does take such security, the Guarantor further agrees that, if the Guarantor's liability is limited under this Guarantee, the amount to which such liability is limited shall be deemed to be increased by an amount equal to the value of such security up to what would be the amount of the Guarantor's liability hereunder but for the taking of such security.
13. This Guarantee is given in addition to and without prejudice to any security of any kind, including any guarantee, whether or not in the same form as this Guarantee, now or hereafter held by the Credit Union. The liability of the Guarantor under any other guarantee executed by the Guarantor and given to the Credit Union in connection with the indebtedness or liability of the Member to the Credit Union shall not affect or be affected by this Guarantee nor shall this Guarantee affect or be affected by the endorsement by the guarantor of any note or notes of the Member, the intention being that the liability of the Guarantor under such other guarantee or endorsement and this Guarantee shall be cumulative and shall be and remain in full force and effect.
14. There are no representations, collateral agreements or conditions with respect to this Guarantee, or affecting the Guarantor's liability hereunder, other than those contained herein. No alteration or waiver of this Guarantee or of any of its terms or conditions shall be binding on the Credit Union unless made in writing over the signature of an officer of the Credit Union expressly authorized to make such alteration or give such waiver.
15. The Credit Union may without notice of any kind sell, assign or transfer to any third party all or any of the Member's indebtedness and liability to the Credit Union, and in such event each and every immediate and successive assignee, transferee or holder of all or any of such indebtedness and liability shall have the right to enforce this Guarantee by suit or otherwise for the benefit of such assignee, transferee or holder as fully as if such assignee, transferee or holder were herein by name specifically given such rights, powers and benefits, but the Credit Union shall have an unimpaired right, prior and superior to that of any such assignee, transferee or holder, to enforce this Guarantee as to so much of such indebtedness and liability as the Credit Union may not have sold, assigned or transferred.
16. No delay on the part of the Credit Union in the exercise of any right or remedy shall operate as a waiver thereof, and no partial exercise by the Credit Union of any right or remedy shall preclude the further exercise thereof or the exercise of any other right or remedy. An action permitted hereunder, but not taken by the Credit Union, shall not in any way impair or affect this Guarantee.
17. The terms and conditions set out in this Guarantee shall not merge with any judgment, which may be obtained against the Guarantor or the Member.
18. This Guarantee shall be construed in accordance with the laws of the Province of Ontario. The Guarantor agrees that any legal suit, action or proceeding arising out of or relating to this Guarantee may be instituted in the courts of Ontario, and the Guarantor hereby agrees to accept and submit to the jurisdiction of the said courts, to acknowledge their competence and to be bound by any judgment thereof. Nothing herein shall limit the Credit Union's right to bring proceedings against the Guarantor elsewhere.
19. The Guarantee shall extend to and ensure to the benefit of the successors and assigns of the Credit Union, and shall be binding upon the Guarantor and the heirs, executors, and administrators or the successors and assigns of the Guarantor. For greater certainty, the successors and assigns of the Credit Union shall include an entity that is the product of an amalgamation of the Credit Union with another entity, and the Credit Union is hereby constituted the attorney of the Guarantor to transfer to such product (the "transferee") the benefit of this Guarantee respecting any indebtedness or liability to the transferee that may be incurred by the Member.