

TO: ALBERTA BREEDER FINANCE INC.

In consideration of Alberta Breeder Finance Inc. (herein called "Breeder Finance") dealing with

(herein called the "Corporation") and ONE (\$1.00) DOLLARS and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby jointly and severally unconditionally guarantee(s) payment to Breeder Finance of all monies, debts and obligations now or at any time hereafter due or owing to Breeder Finance by the Corporation (hereinafter from time to time referred to as the "Corporate Debt") together with all costs, charges and expenses (including legal fees on a solicitor and client basis) incurred by Breeder Finance or the Receiver, Receiver-Manager or Agent of the Corporation, or the Agent of Breeder Finance in the enforcement of this Guarantee and of any rights or security held by Breeder Finance in respect of the Corporate Debt.

And the undersigned and each of them (if more than one) hereby jointly and severally agree(s) with Breeder Finance as follows:

1. The sum payable to Breeder Finance under this Guarantee shall include interest accruing on the Corporate Debt at the respective rates of interest applicable to the various obligations of the Corporation with respect to the Corporate Debt. Where the Corporation is liable to Breeder Finance for interest calculated at more than one rate, then the particular rate of interest charged on a particular obligation shall continue to apply hereunder in respect of such obligation both before and after default and before and after judgment.
2. A statement of account issued by any officer or agent of Breeder Finance purporting to show the amount at any time due and payable to Breeder Finance under this Guarantee shall be conclusive evidence as against the undersigned that such amount is then due and payable to Breeder Finance and is subject to this Guarantee.
3. No change in the name, objects, capital stock or constitution of the Corporation shall in any way affect the liability of the undersigned, either with respect to transactions occurring before or after any such change, and this Guarantee shall extend to all debts and liabilities to Breeder Finance of the individual, partnership or corporation who or which assumes the obligations of the Corporation in whole or in part in any manner including, without limitation, by amalgamation with the Corporation.
4. Breeder Finance shall not be obliged to inquire into the powers of the Corporation or any of its directors or other agents acting or purporting to act on its behalf, the Corporate Debt shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding that the Corporate Debt may have been incurred in excess of the powers of the Corporation or of its directors or other agents aforesaid, or are in any way irregular or defective.
5. No change in the name of the Corporation or in the shareholders of the Corporation through the death, retirement or introduction of one or more shareholders or otherwise, or by the disposition of the Corporation's business in whole or in part, shall in any way affect the liability of the undersigned, either with respect to transactions occurring before or after any such change, and this Guarantee shall extend to all debts and liabilities to Breeder Finance of any individual, partnership or corporation who or which assumes the obligations of the Corporation in whole or in part in whatsoever manner.
6. Breeder Finance, without exonerating in whole or in part the undersigned, may (a) grant time, renewals, extensions, indulgences, releases and discharges to; (b) take securities from; (c) vary, exchange, release, discharge or give any or all securities up to; (d) abstain from taking securities from or from perfecting or realizing on such securities; (e) cease or refrain from supplying livestock to; (f) accept compositions from and may otherwise deal with the Corporation and all other persons (including the undersigned and any other guarantor) and securities, as Breeder Finance may see fit.
7. All payments and moneys received by Breeder Finance from the Corporation, or from any other persons or estates, capable of being applied by Breeder Finance in reduction of the Corporate Debt hereby guaranteed, shall be regarded for all purposes as payments in gross. Until all indebtedness of the Corporation to Breeder Finance has been paid in full, the undersigned shall not have any right of subrogation to Breeder Finance or to the securities held by Breeder Finance and this Guarantee shall not be diminished or affected on account of any act or failure to act on the part of Breeder Finance which would prevent subrogation from operating in favor of the undersigned. Breeder Finance shall be entitled to prove against the estate of the Corporation upon any insolvency or winding-up in respect of the whole of the said debts and liabilities; and the undersigned shall have no right to be subrogated to Breeder Finance or to the securities held by Breeder

Finance until Breeder Finance has received payment in full of its claim with interest.

8. Breeder Finance may, without releasing or in any way limiting or lessening the liability of the undersigned, and without obtaining the consent of or giving notice to the undersigned, discontinue, reduce, renew, decline to renew, increase or otherwise vary the rights of the Corporation in such manner as Breeder Finance may, in its sole discretion, decide upon and Breeder Finance shall not be obliged to exercise or exhaust its recourse against the Corporation, other persons or any securities it may hold, before being entitled to payment in full from the undersigned of all and every of the debts and liabilities hereby guaranteed and Breeder Finance may enforce the various remedies available to it and may realize upon the various securities or any part thereof in such order as Breeder Finance may determine and Breeder Finance may, in its sole and absolute discretion, apply all monies received from the Corporation, from the undersigned or others or from securities or guarantees upon such parts of the Corporation's liabilities as Breeder Finance may determine and may change any such application in whole or in part from time to time and Breeder Finance shall have no obligation to account to the undersigned as to Breeder Finance's actions, process or handling of realization on any security.
9. Breeder Finance, in its unfettered discretion and as Breeder Finance from time to time sees fit, without in any way prejudicing or affecting the rights of Breeder Finance hereunder, may appropriate any moneys received to any portion of the debts and liabilities hereby guaranteed, whether then due or to become due, and may from time-to-time revoke or alter any such appropriation.
10. Notwithstanding the provisions of any statute relating to the rate of interest payable by debtors, this Guarantee shall remain in full force and effect whatever the rate of interest received or demanded by Breeder Finance.
11. The undersigned hereby grants to Breeder Finance the right to set off against all accounts, credits or balances maintained by the undersigned with Breeder Finance, the aggregate amount of any and all liabilities of the undersigned hereunder if and when the same shall become due and payable.
12. All debts and liabilities present and future of the Corporation to the undersigned are hereby assigned to Breeder Finance and postponed to the present and future debts and liabilities of the Corporation to Breeder Finance and all moneys received by the undersigned from the Corporation shall be received in trust for Breeder Finance and forthwith upon receipt shall be paid over to Breeder Finance until the Corporation's indebtedness to Breeder Finance is fully paid and satisfied; all without prejudice to or without in any way limiting or lessening the liability of the undersigned to Breeder Finance.
13. Breeder Finance shall not be obliged to give the undersigned notice of default by the Corporation, and upon any default by the Corporation the undersigned shall be held bound directly to Breeder Finance as principal debtor in respect of the payment of the amounts hereby guaranteed.
14. Any notice, demand or court process may be served by Breeder Finance on the undersigned or his or her or their legal personal representatives either personally or by posting the same by ordinary mail postage prepared, in an envelope addressed to the address of the party to be served last known to Breeder Finance, and the notice or demand so sent shall be deemed to be served on the day following that on which it is mailed. Issuance and service of a Statement of Claim against the Guarantor(s) claiming the amount due under this Guarantee shall be deemed to be a demand for payment of same, whether a prior demand has been made.
15. This Guarantee shall be operative and binding upon every signature hereof notwithstanding the non-execution hereof by any other proposed signatory or signatories, and the undersigned acknowledges that this guarantee has been delivered free of any conditions and that no statements, representations, agreements, collateral agreements or promises have been made to or with the undersigned affecting or limiting the liability of the undersigned under this Guarantee or inducing the undersigned to grant this guarantee except as specifically contained herein in writing, and agrees that this Guarantee is in addition to and not in substitution for any other guarantees held or which may hereafter be held by Breeder Finance.
16. No alteration or waiver of this Guarantee or any of its terms, provisions or conditions shall be binding on Breeder Finance unless made in writing and signed by an authorized representative of Breeder Finance.
17. The undersigned shall file all claims against the Corporation in any bankruptcy or other proceedings in which the filing of claims is required by law or upon any indebtedness of the Corporation to the undersigned and will assign to Breeder Finance all the undersigned's rights thereunder. In all such cases, whether an administration, bankruptcy, or otherwise, the person or persons authorized to pay such claims shall pay to Breeder Finance the full amount payable on the claim in the proceeding before making any payments to the undersigned; all without in any way limiting or lessening the liability of



Application Corporate Shareholder's Guarantee

the undersigned to Breeder Finance whether this guarantee is expressed to be made in respect of a limited amount or otherwise. All money received by the undersigned in all such cases shall be received in trust for Breeder Finance and forthwith upon receipt shall be paid over to Breeder Finance until the Corporation's indebtedness is fully paid and satisfied. To the fullest extent necessary for the purposes of this paragraph 17 the undersigned hereby assigns to Breeder Finance all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled.

- 18. In this Guarantee, any word importing the singular number shall include the plural, and without restricting the generality of the foregoing, where there is more than one undersigned any reference to the undersigned refers to each and every one of the undersigned, and any word importing a person shall include a corporation, partnership and any other entity.
- 19. If this Guarantee is executed by more than one party, the liability of each of the undersigned hereunder shall be joint and several with one another.
- 20. This Guarantee shall extend to and enure to the benefit of the successors and assigns of Breeder Finance and shall be binding upon the undersigned and the respective heirs, executors, administrators, successors and assigns of each of the undersigned.
- 21. No invalidity, irregularity or unenforceability by reason of any bankruptcy or similar law or any law or order of any government or agency thereof purporting to reduce, amend or otherwise affect the liability of the Corporation to Breeder Finance or of any security therefore, shall affect, impair or be a defence to this Guarantee. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, such provision shall be deemed to be severable and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 22. All the rights, powers and remedies of Breeder Finance hereunder and under any other agreement now or at any time hereafter in force between Breeder Finance and the undersigned shall be cumulative and shall be in addition to and not in substitution for all rights, powers and remedies of Breeder Finance at law or in equity.
- 23. This Guarantee shall be construed in accordance with the laws of the Province of Alberta and shall be deemed to have been made in Alberta and to be performed there, and the courts of the Province of Alberta shall have jurisdiction over all disputes which may arise under this Guarantee, provided that nothing herein contained shall prevent Breeder Finance from proceeding at its election against the undersigned in the courts of any other province or country. If the undersigned is or becomes the resident of a province other than Alberta, the undersigned hereby submits to the jurisdiction of the courts of the Province of Alberta, or the courts of any other jurisdiction in which Breeder Finance elects to commence proceedings under this paragraph 23. Service of any process upon the undersigned may be made by ordinary mail in an envelope addressed to the following address:

24. _____
or in any other manner permitted by law.

25. Each of the undersigned hereby acknowledges that he or she has read the contents of this Guarantee and understands that the signing of this Guarantee involves joint and several financial responsibilities on the part of the undersigned.

Given under seal at _____, Alberta, _____.

WITNESS

PRODUCER

Signature of Witness

Signature of Guarantor

Printed Name of Witness

Printed name of Producer or authorized representative.



Application Corporate Shareholder's Guarantee

I HEREBY CERTIFY THAT:

1. Full Name _____

Address _____

Full Name and Address of Guarantor _____

The guarantor in the guarantee dated the _____ [insert date guarantee signed] made between Alberta Breeder Finance Inc. and _____ [insert full name of guarantor] 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. CERTIFIED by _____ [print name], Barrister and Solicitor at the town of _____, in the province of Alberta, dated _____.

Signature

STATEMENT OF GUARANTOR

I am the person named in this certificate.

Signature of guarantor