Sunland® Shutters

Guaranty Agreement

(Continuing Guaranty)

This guaranty is given by ______________________________ and ___________________________ (hereinafter collectively or individually as the case may be "Guarantor") to Ta Chen International, Inc., a California corporation doing business under the fictitious business name of Sunland Shutters ("Obligee") to induce Obligee to extend credit to ______________________________________ ("Obligor").

1. Obligation Guaranteed
   For valuable consideration, the undersigned Guarantor jointly and severally unconditionally guarantees to Obligee the payment of any and all indebtedness of Obligor to Obligee. The word "indebtedness" is used in its most comprehensive sense and includes any and all advances, debts, obligations, and liabilities of Obligor, whenever made, incurred, or created, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether Obligor may be liable individually or jointly with others, or whether recovery may be or become barred by any statute of limitations or otherwise become unenforceable.

2. Death, Insolvency, or Bankruptcy
   Guarantor jointly and severally unconditionally guarantee the payment of any and all indebtedness of Obligor to Obligee, whether or not due or payable by Obligor, on (a) the death, dissolution, insolvency, or business failure of, or any assignment for the benefit of creditors by, or commencement of any bankruptcy, reorganization, arrangement, moratorium, or other debtor relief proceedings by or against, Obligor or Guarantor, or (b) the appointment of a receiver for, or the attachment, restraint of, or making or levying of any court order or legal process affecting, the property of Obligor or Guarantor, and jointly and sever- ally unconditionally promise to pay this indebtedness to Obligee or order, on demand, in lawful money of the United States.

3. Extent of Liability
   This guaranty may be terminated with regard to future transactions provided Guarantor gives written notice of termination to Obligee. Notice shall be deemed effective as of noon of the next succeeding business day following receipt of notice by Obligee. No notice of termination shall release Guarantor, whether or not giving the notice, from any liability as to any guaranteed indebtedness that may be owing to or held by Obligee or in which Obligee may have an interest or for which Obligee may be obligated at the time of receiving notice, and all extensions or renewals and until noon of the next succeeding business day following the receipt of such notice. The liability of Guarantor under this agreement is exclusive and independent of any security for or other guarantee of the indebtedness of Obligor, whether executed by Guarantor or any other party.

4. Joinder of Parties
   The obligations of guarantor are joint and several, and independent of the obligations of Obligor. Obligee may bring and prosecute a separate action or actions against Guarantor, whether it brings an action against Obligor or joins Obligor in any action or actions commenced. Guarantor waives, to the fullest extent permitted by law, the benefit of any statute of limitations affecting their liability under this agreement or the enforcement of this agreement. Any payment by Obligor or other circumstance that operates to toll any statute of limitations as to Obligor shall also operate to toll the statute of limitations as to Guarantor.

5. Change of Obligation.
   A. Guarantor authorizes Obligee, (whether or not after revocation or termination of this guaranty) without notice or demand and without affecting or impairing their liability, from time to time to do any of the following:
      1. Renew, compromise, extend, accelerate, or otherwise change the time for performance of, or otherwise change the terms of the obligation including increase or decrease the rate of interest;
      2. Take and hold security for the performance of this guaranty or the obligation guaranteed, and exchange, enforce, waive, and release any security;
      3. Apply security and direct the order or manner of sale of security as Obligee in its discretion may determine; and
      4. Release or substitute any one or more of the Guarantor.

   B. Obligee may without notice assign this guaranty in whole or in part.

6. Capacity and Authority.
   If Obligor is a corporation, partnership or other entity, Obligee need not inquire into or verify the powers of Obligor or the authority of those acting or purporting to act on behalf of Obligor, and this Guaranty shall be enforceable with respect to any indebtedness Obligee grants or extends to Obligor in reliance on the purported exercise of those powers or authority.

7. Subordination.
   Any indebtedness of Obligor now or later held by Guarantor is subordinated to the indebtedness of Obligor to Obligee, and all indebtedness of Obligor to Guarantor, if Obligee so requests, shall be collected, enforced, and received by Guarantor as trustees for Obligee and be paid over to Obligee on account of the indebtedness of Obligor to Obligee, without affecting or impairing in any manner the liability of Guarantor under the other provisions of this guaranty.

8. Waiver of Defenses.
   a. Guarantor waives any right to require Obligee to (1) proceed against Obligor; (2) proceed against or exhaust any security held from Obligor; or (3) pursue any other remedy in Obligee's power whatsoever.
   b. Guarantor waives any defense based on or arising out of any defense of Obligor other than payment in full of the indebtedness, including without limitation any defense based on or arising out of the disability of Obligor, the unenforceability of the indebtedness from any cause, or the cessation from any cause of the liability of Obligor other than payment in full of the indebtedness.
   c. Until all indebtedness of Obligor to Obligee is paid in full, even though that indebtedness is in excess of Guarantor's liability under this agreement, Guarantor shall have no right of subrogation, shall waive any right to enforce any remedy that Obligee now has or may later have against Obligor, and shall waive any benefit of, and any right to, participation in any security now or later held by Obligor. Guarantor waives all presentments, demands for performance, notices of protest, notices of dishonor, notices of acceptances of this guaranty, and notices of the existence, creation, or incurring of new or additional indebtedness.
   d. Guarantor assumes all responsibility for keeping themselves informed of Obligor's financial condition and assets, and of all other circumstances bearing on the risk of nonpayment of the indebtedness and the nature, scope, and extent of the risks that Guarantor assumes and incur under this agreement, and agree that Obligee shall have no duty to advise Guarantor of information known to it regarding those circumstances or risks.

9. Attorneys' Fees and Costs
   In addition to the amounts guaranteed under this agreement, Guarantor jointly and severally agree to pay reasonable attorneys' fees and all other costs and expenses incurred by Obligee in enforcing this guaranty in any action or proceeding arising out of, or relating to, this guaranty.

10. Nonwaiver of Rights of Obligee
    No right or power of Obligee under this agreement shall be deemed to have been waived by any act or conduct on the part of Obligee, or by any neglect to exercise that right or power, or by any delay in so doing; and every right or power shall continue in full force and effect until specifically waived or released by an instrument in writing executed by Obligee.

11. Singular and Plural
    In all cases when there is but a single Obligor or a single Guarantor, all words used in the plural shall be deemed to have been used in the singular if the context and construction so require; and when there is more than one Obligor, or when this guaranty is executed by more than one Guarantor, the word "Obligor" and the word "Guarantor" respectively shall mean all and any one or more of them.

12. Effect on Heirs and Assigns.
    This guaranty and the liability and obligations of Guarantor under this agreement are binding on Guarantor and their respective heirs, executors, and assigns, and inure to the benefit of and are enforceable by Obligor and its successors, transferees, and assigns.

13. Notices
    Any notice given by any party under this guaranty shall be personally delivered or sent by United States mail, postage prepaid, and addressed to Obligee or Guarantor at their respective addresses for notices indicated below. Guarantor and Obligee may change the place to which notices, requests, and other communications are to be sent to them by giving written notice of that change to the other.

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14. Governing Law and Modification; Jurisdiction and Venue.
    This guaranty shall be deemed to be made under, and shall be governed by, the laws of the State of California in all respects, including matters of construction, validity, performance, and enforcement, and its terms and provisions may not be waived, altered, modified, or amended except in writing duly signed by an authorized officer of Obligee and by Guarantor. This guaranty shall be enforced by and guarantor submits to the jurisdiction and venue of the courts of the State of California, County of Los Angeles to the exclusion of all other jurisdictions.

15. Invalidity.
    If any provision of this guaranty contravenes or is held invalid under the laws of any jurisdiction, this guaranty shall be construed as though it did not contain that provision, and the rights and liabilities of the parties to this agreement shall be construed and enforced accordingly.

16. Headings.
    Headings in this agreement are for convenience only and shall not be used to interpret or construe its provisions.

17. Counterparts
    This agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHERE OF, the undersigned have executed this Guaranty on ____.

GUARANTOR

____________________________________ [*Signature of guarantor*]

____________________________________ [*Typed name of guarantor*]

____________________________________ [*Signature of guarantor*]

____________________________________ [*Typed name of guarantor*]

Address for Notices to Guarantor:

____

____

ATTN: ______________________________

OBLIGOR

____________________________________ [*Signature of obligor*]

____________________________________ [*Typed name of obligor*]

By _________________________________ [*Typed name and title*]

Address for Notices to Guarantor:

____

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ATTN: ______________________________