

CONTINUING GUARANTY

To **Bank of Guam**

(1) For valuable consideration the undersigned hereinafter called Guarantor, jointly and severally unconditionally guarantees and promises to pay to BANK OF GUAM (hereinafter called Bank), or order, on demand, in lawful money of the United States, any and all indebtedness of _____

_____ (hereinafter called Borrowers) to Bank, as follows:

(A) The Principal Amount of this guaranty is _____ Dollars (\$ _____).

(B) **MAXIMUM LIABILITY.** The liability of Guarantor shall not exceed at any one time the sum of:

- (1) The Principal Amount set forth above; and
- (2) An amount equal to all interest owed by Borrower at any time hereafter, and
- (3) All of the Bank's costs, expenses, and attorneys' fees, including any on appeals, in connection with the collection of the indebtedness of Borrower or with the collection or sale of any collateral, whether or not there is a lawsuit.

This limitation on liability is not a restriction on the amount of the indebtedness of Borrower to Bank either in the aggregate or at one time. If Bank presently holds one or more guaranties from Guarantor of the indebtedness of borrower, the rights of Bank under all guaranties shall be cumulative. The liability of Guarantor will be the total of the Principal Amounts shown on all untermi-nated guaranties, plus the corresponding amounts described in subparagraphs (2) and (3) above.

Notwithstanding the foregoing, Bank may permit the indebtedness of Borrowers to exceed Guarantors' liability. This is a continuing guaranty relating to any indebtedness, including that arising under successive transactions which shall either continue the indebtedness or from time to time renew it after it has been satisfied. This guaranty shall not apply to any indebtedness created after actual receipt by Bank of written notice of its revocation as to future transactions. Any payment by Guarantors shall not reduce their maximum obligation hereunder, unless written notice to that effect be actually received by Bank at or prior to the time of such payment.

(2) The word "indebtedness" is used herein in its most comprehensive sense and includes any and all advances, debts, obligations and liabilities of Borrowers or any one or more of them, heretofore, now, or hereafter made, incurred or created, whether voluntary or involuntary or involuntary and however arising, whether direct or acquired by Bank by assign-ment of succession, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether Borrowers may be liable individually or jointly with others, or whether recovery upon such indebtedness may be or hereafter become barred by any statute or limitation, or whether such indebtedness may be or hereafter become otherwise unenforceable.

(3) The obligations hereunder are joint and several, and independent of the obligations of Borrowers, and a separate action or actions may be brought and prosecuted against Guarantors whether action is brought against Borrowers or whether Borrowers be joined in any such action or actions; and Guarantors waive the benefit of any statute of limitations affecting their liability hereunder or the enforcement thereof.

(4) Guarantors authorize Bank, without notice or demand and without affecting their liability hereunder, from time to time to (a) renew, compromise, extend, accelerate or otherwise change the time for payment of, or otherwise change the terms of the indebtedness or any part thereof, including increase or decrease of the rate of interest thereon; (b) take and hold security for the payment of this guaranty or the indebtedness guaranteed, and exchange, enforce, waive and release any such security; (c) apply such security and direct the order or manner of sale thereof as Bank in its discretion may determine; and (d) release or substitute any one or more of the endorsers or guarantors. Bank may without notice assign this guaranty in whole or in part.

(5) Guarantors waive any right to require Bank to (a) proceed against Borrowers; (b) proceed against or exhaust any security held from Borrowers; or (c) pursue any other remedy in Bank's power whatsoever. Guarantors waive any defense arising by reason of any disability or other defense of Borrowers or by reason of the cessation from any cause what-soever of the liability of Borrowers. Until all indebtedness of Borrowers to Bank shall have been paid in full, even though such indebtedness is in excess of Guarantors' liability hereunder, Guarantors shall have no right of subrogation, and waive any right to enforce any remedy which Bank now has or may hereafter have against Borrowers, and waive any benefit of, and any right to participate in any security now or hereafter held by Bank. Guarantors waive all presentments, demands for perform-ance, notices of non performance, protests, notices of protest, notices of dishonor, and notices of acceptance of this guaranty and of the existence, creation, or incurring of new or additional indebtedness.

(6) In addition to all liens upon, and rights of setoff against the moneys, securities or other property of Guarantors given to Bank by law, Bank shall have a lien upon and a right of setoff against all moneys, securities and other property of Guarantors now or hereafter in the possession of or on deposit with Bank, whether held in a general or special account or deposit, or for safekeeping or otherwise; and every such lien and right of setoff may be exercised without demand upon or notice to Guarantors. No lien or right of setoff shall be deemed to have been waived by any act or conduct on the part of Bank, or by any neglect to exercise such right of setoff or to enforce such lien, or by any delay in so doing, and every right of setoff and lien shall continue in full force and effect until such right of setoff or lien is specifically waived or released by an instrument in writing executed by Bank.

(7) Any indebtedness of Borrowers now or hereafter held by Guarantors is hereby subordinated to the indebtedness of Borrowers to Bank; and such indebtedness of Borrowers to Guarantors if Bank so request shall be collected, enforced and received by Guarantors as trustees for Bank and be paid over to Bank on account of the indebtedness of Borrowers to Bank but without reducing or affecting in any manner the liability of Guarantors under the other provisions of this guaranty.

(8) Where any one or more of Borrowers are corporations or partnerships it is not necessary for Bank to inquire into the powers of Borrowers or the officers, directors, partners or agents acting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed hereunder.

(9) Guarantors agree to pay a reasonable attorney's fee and all other costs and expenses which may be incurred by Bank in the enforcement of this Guaranty.

(10) Any married person who signs this guaranty hereby expressly agrees that recourse may be had against their separate property for all their obligations under this guaranty.

(11) Where there is a but a single Borrower, or where a single Guarantor executes this guaranty, then all words used herein in the plural shall be deemed to have been used in the singular where the context and construction so require; and when there is more than one Borrower named herein, or when this guaranty is executed by more than one Guarantor, the words "Borrowers" and "Guarantors" respectively shall mean all and any one or more of them.

Executed this _____ day of _____, 20 _____

Witnessed

Witness

Address

Witness

Address

Witness

Address

Witness

Address

Guarantor

Guarantor

Guarantor

Guarantor