Borrower Business Name IBANK Loan ID: IBANK Loan #

This Guarantee is a: Collection Guarantee This Guarantee is for a: Click to Select

In order to induce Lender Name (“Lender”) to make a Loan to Borrower Business Name (“Borrower”),Click to Select("Corporation"), in its capacity as a nonprofit California small business financial development corporation created pursuant to Title 1, Division 3, Part 5 (commencing with Section 14000) of the California Corporations Code, having offices at Click to Select, hereby guarantees to Lender, its successors and assigns, principal repayment of Guarantee Percentage Spelled-Out (Guarantee Percentage #**%**) of the below listed Loan between Lender and Borrower and the same percentage of post‑default interest earned and unpaid, up to ninety (90) calendar days from the date of Default as defined in the Default Loan Procedures attached hereto. As used in this Loan Guarantee (this “Guarantee”), the term "Loan" means the Term Loan or Line of Credit as evidenced by a promissory note and credit agreement between Borrower and Lender dated Select Date for **$**Principal Amount **(**Principal Amount Spelled-Out**)** with the following rate and terms:

Interest Rate: The interest rate is Interest Rate %, until Lender increases or decreases the interest rate based upon individual loan pricing and as may be changed from time to time by Lender.

Repayment Terms: Payment beginning Select Date, with a payment plan as follows Click here to enter text. of approximately **$**Principal Amount **(**Principal Amount Spelled-Out**)**. Loan maturity is set for Select Maturity Date.

If this is a Collection Guarantee, the Corporation’s obligations under this Collection Guarantee are subject to IBank’s SBFC Directives and Requirements. Furthermore, the Corporation shall not be liable or obligated in any way beyond the available funds in the Program trust fund account, as defined in Section 14010 (n) of the California Corporations Code, at the time of Lender’s Demand (as defined in IBank’s SBFC Directives and Requirements).

Corporation has promised to pay up to Guarantee Percentage Spelled-Out **percent** (Guarantee Percentage #**%**) of principal and Interest Percentage Spelled-Out **percent** (Interest Percentage #**%**) of interest not to exceed ninety (90) days interest earned and unpaid on the loan, subject to the following restrictions:

1. Lender has complied with all material conditions contained in this Guarantee, including perfecting collateral; and
2. Lender has not engaged, and will not engage, in fraudulent or negligent practices in connection with the Borrower, this Guarantee, the Loan or the loan agreement.

Corporation’s obligation to honor this Guarantee is conditioned upon the following:

* 1. Borrower is in Default as defined in the Default Loan Procedures attached hereto and incorporated herein by reference.
  2. Lender’s compliance with and performance of the Default Loan Procedures prior to demand for repayment.
  3. Lender’s compliance with and performance of the terms of the Commitment Letter attached hereto and incorporated herein by reference.
  4. Diligent pursuit by Lender of Lender's remedies in the event of bankruptcy or other creditor rights proceedings prior to making demand on this Guarantee.

This Guarantee is effective upon execution of a loan to the Borrower and the signature of both parties to this Guarantee, the Commitment Letter, and Default Loan Procedures, and shall remain in effect until the Loan is paid in full or until Select Date, whichever occurs first but no longer than seven years from the date of the promissory note.

Lender shall not, without the prior written consent of IBank, renew, compromise, extend, accelerate or otherwise change the time for payment or the terms of Borrower's indebtedness, except in the case of a Default. In the case of Default, Lender shall make no agreement with the Borrower, except repayment of all past due amounts, or repayment of the entire Loan, without the prior written consent of IBank.

In the event that Lender makes a Demand on this Guarantee, Lender must assign all rights and remedies to Corporation in exchange for Corporation’s payment on the defaulted Loan. "Rights and remedies" as used herein include the promissory note, Loan agreement, and all security agreements and other documents and security held by Lender in connection with the defaulted Loan.

The collateral listed in the Commitment Letter concerning this Loan shall be used to secure the entire Loan, with equal lien priority for the guaranteed and unguaranteed portions of the Loan. The unguaranteed portion of the Loan will not be paid first or given any preference or priority over the guaranteed portion.

Any payment on the indebtedness guaranteed to Lender by Corporation shall reduce, by the amount of such payment, Corporation's liability hereunder.

If the Borrower fails to pay, when due, all or any part of the Loan guaranteed by Corporation, Lender shall follow the Default Loan Procedures. A balloon payment does not constitute a default and, therefore, will not activate this Guarantee.

Lender shall make demand on the Borrower and pursue such rights as Lender has against the Borrower short of filing suit to obtain payment in whole or in part. In any demand by Lender upon this Guarantee, Corporation shall have the right to reduce its liability under this Guarantee by the amount the Collateral (as defined in the SBFC Directives and Requirements) is reduced in value. Corporation is not entitled to reduce the Guarantee liability unless and until Corporation can demonstrate that the value of the Collateral was diminished because of Lender's failure to comply with the collateral requirements specified in the Commitment Letter.

Corporation shall be paid fees totaling **$**Total Fee Amount **(**Total Fee Amount Spelled-Out**)** consisting of a **$**Guarantee Fee Amount (Guarantee Fee Amount Spelled-Out) guarantee fee which represents **2.5%** of the guaranteed portion of the Loan and a **$250** (Two Hundred and Fifty and No/100 Dollars) loan documentation fee. Lender agrees to pay these fees at the time the Loan documents are signed, and forward the fees to Corporation immediately.

Any controversy or claim arising out of or relating to this Guarantee, or any agreements or instruments relating to or delivered in connection with this Guarantee, including any claim based on or arising from an alleged tort, shall be determined by binding and mandatory arbitration. The arbitration shall be conducted in accordance with the United States Arbitration Act (Title 9, U.S. Code) under the Commercial Rules or the American Arbitration Association ("AAA"). The arbitrator(s) shall give effect to statutes of limitation in determining any claim. Any controversy concerning whether an issue is arbitral shall be conclusively determined by the arbitrator(s). Judgment upon the arbitration award shall be entered in any competent court; which court would have had jurisdiction if the claim was not subject to binding arbitration. The institution and maintenance of an action for judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of binding arbitration and mandatory arbitration if any other party contests such action for judicial relief

In any judicial action or proceeding arising out of or relating to this Guarantee or any agreements or instruments relating to this Guarantee or any agreements or instruments relating hereto or delivered in connection herewith, including but not limited to a tort claim, if the controversy or claim is not submitted to arbitration as provided and limited in the paragraph above, either party may elect to have all decisions of fact and law be determined by a reference in accordance with California Code of Civil Procedure Section 638 et seq. If such an election is made, the parties shall designate to the court a referee or referees selected under the auspices of the American Arbitration Association in the same manner as arbitrators are selected in Association-sponsored proceedings. The presiding referee of the panel, or the referee if there is a single referee, shall be an active attorney or retired judge. Judgment upon the award rendered by such referee or referees shall be entered in the court in which such proceeding was commenced in accordance with California Code of Civil Procedure Sections 644 and 645.

Lender, in the event of a Demand, and where the Borrower has given written permission as authorized by the Financial Privacy Act Notice, will allow a representative of the California Department of Business Oversight, or other auditors selected by the Corporation, to examine the Lender’s loan files.

In the event Lender and Corporation are unable to agree to one of the above listed alternatives prior to the expiration of this Guarantee, this Guarantee shall not be renewed or extended.

In the event of the filing of a voluntary or involuntary bankruptcy by or against the Borrower, Corporation and Lender agree to cooperate to reach decisions within the time frames required by the Bankruptcy Code and court. This would include decisions involving cash collateral orders, debtor-in-possession financing or attempts to modify the automatic stay to enable Corporation and Lender to realize on the Collateral. Corporation, upon payment under this Guarantee, shall be the owner of the claim against the estate for the purpose of making such decisions.

All notices required or permitted to be sent to Lender or Corporation shall be deemed to have been properly given if sent to the addresses set forth below or to such other addresses as the undersigned may designate by written notice to Lender and Corporation.

Corporation does hereby authorize and require Lender to fill in the blank space in this Guarantee by inserting the date of Lender's credit agreement.

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| Signed this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, \_\_\_\_  Click to Select FDC  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature  Click here to enter text. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Print Name & Title | Signed this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, \_\_\_\_  Auto-Fill  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature  Click here to enter text. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Print Name & Title |