

GUARANTY

The undersigned (hereinafter referred to as "Guarantors") hereby request and authorize DFI CAPITAL and its affiliates (hereinafter referred to as the "Creditors") to extend credit to

_____ (hereinafter referred to as "Debtor"), and in consideration of the granting of such credit by the Creditors to Debtor, Guarantors hereby agree as follow:

1. The words "indebtedness" and "credit" are used herein in their most comprehensive sense and include any and all advances, debts, obligations, and liabilities, including interest thereon, of Debtor heretofore, now or hereafter made, incurred or created, with or without notice to Guarantors, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether Debtor is liable individually or jointly with others, and whether recovery upon any such indebtedness or credit is or hereafter becomes barred by any statute of limitations or is or hereafter becomes otherwise unenforceable.

2. Credit may be granted from time to time at the request of Debtor and without further authorization from or notice to Guarantors even though Debtor's financial condition may have deteriorated since the date hereof. If Debtor is a corporation or a partnership, Creditors need not inquire into the power of Debtor or the authority of its officers, directors, partners or agents acting or purporting to act in its behalf. Each credit heretofore or hereafter granted to Debtor shall be considered to have been granted at the special instance and request of Guarantors and in consideration of and in reliance upon this guarantee.

3. Guarantors hereby guarantee and promise to pay to Creditors or its order any and all indebtedness of Debtor to Creditors and to perform any and all obligations of Debtor under the terms of any instrument evidencing or securing any such indebtedness, including, but not limited to the Note and Deed of Trust, all dated _____. The liability of undersigned hereunder shall not at any time exceed the sum of the amount set forth below in paragraph 18, plus the interest thereon and the costs, attorneys' fees and other expenses provided for in this agreement. If no amount is set forth in paragraph 18, the liability of the Guarantors hereunder shall be unlimited. Creditors may permit Debtor's indebtedness to exceed any maximum liability without impairing the obligations of Guarantors hereunder. No payments made by or on behalf of Guarantors to Creditors shall reduce any such maximum liability unless written notice to that effect is received by Creditors at or prior to the time such payment is made. If Guarantors have executed more than one guarantee of the indebtedness of Debtor to Creditors, the guarantees shall be cumulative.

4. Either before or after revocation hereof and in such manner, upon such terms and at such times as it considers best and with or without notice to Guarantors, Creditors may alter, compromise, accelerate, extend or change the time or manner for the payment of any indebtedness hereby guaranteed, increase or reduce the rate of interest thereon, release or add any one or more guarantors or endorsers, accept additional or substituted security therefor, or release or subordinate any security therefor. No exercise or non-exercise by Creditors of any right hereby given it, no dealing by Creditors with Debtor or any other person, and no change, impairment or suspension of any right or remedy of Creditors shall in any way affect any of the obligations of Guarantors hereunder or any security furnished by Guarantors or give Guarantors any recourse against Creditors.

Guarantors Initial Page Here: [] []

5. Guarantors waive and agree not to assert or take advantage of (a) any right to require Creditors to proceed against the Debtor or any other person, firm or corporation or to proceed against or exhaust any security held by it at any time or to pursue any other remedy in its power; (b) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness guaranteed hereby; (c) any defense that may arise by reason of the incapacity, lack of authority, death or disability of, or revocation hereof by, any other or others, or the failure of Creditors to file or enforce a claim against the estate (either in administration, bankruptcy, or other proceeding) of any other or others; (d) demand, protest and notice of any kind including, without limiting the generality of the foregoing, notice of the existence, creation or incurring of new or additional indebtedness or of any action or non-action on the part of the Debtor, Creditors, any endorser, creditor of Debtor or Guarantors under this or any other instrument, or any other person whomsoever, in connection with any obligation or evidence of indebtedness held by Creditors as collateral or in connection with any indebtedness hereby guaranteed; (e) any defense based upon an election of remedies by Creditors, including without limitation, an election to proceed by nonjudicial rather than judicial foreclosure, which election destroys or otherwise impairs subrogation rights of Guarantors (and may waive immunity to a deficiency judgment) or the right of Guarantors to proceed against Debtor for reimbursement, or both; and (f) any duty upon the part of Creditors to disclose to Guarantors any facts that it may now or hereafter know about Debtor, regardless of whether Creditors have reason to believe that any such facts materially increase the risk beyond that which Guarantors intend to assume or have reason to believe that such facts are unknown to Guarantors or have a reasonable opportunity to communicate such facts to Guarantors, it being understood and agreed that Guarantors are fully responsible for being and keeping informed of the financial condition of Debtor and of all circumstances bearing on the risk of non-payment of any indebtedness hereby guaranteed. Guarantors waive all rights and defenses arising out of an election of remedies by the Creditors, even though that election of remedies, such as a nonjudicial foreclosures with respect to security for a guaranteed obligation, has destroyed the Guarantors' rights of subrogation and reimbursement against the principal by operation of Section 580d of the California Code of Civil Procedure or otherwise.

6. Until all indebtedness of Debtor to Creditors has been paid in full, even though such indebtedness is in excess of the liability of Guarantors hereunder, Guarantors shall have no right of subrogation and waive any right to enforce any remedy which Creditors now have or may hereafter have against Debtor and any benefit of, and any right to participate in, any security now or hereafter held by Creditors.

7. The Guarantors reserve the right to receive from Debtor payment of any reasonable salary for personal services; it being expressly understood that such amount shall not be subordinated to the indebtedness guaranteed hereby.

8. Guarantors will file all claims against Debtor in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of Debtor to Guarantors and will assign to Creditors all of the rights of Guarantors thereunder. If Guarantors do not file any such claim, Creditors, as attorney-in-fact for Guarantors, is hereby authorized to do so in the name of Guarantors or, in the discretion of Creditors, to assign the claim and to cause proof of claim to be filed in the name of the nominee of Creditors. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to Creditors the full amount thereof and, to the full extent necessary for the purpose, Guarantors hereby assign to Creditors all of the rights of Guarantors to any such payments or distributions to which

Guarantors would otherwise be entitled. If the amount so paid is greater than the guaranteed indebtedness then outstanding, Creditors will pay the amount of the excess to the person entitled thereto.

9. With or without notice to Guarantors, Creditors, in their sole discretion and at any time and from time to time either before or after delivery of any notice of revocation hereunder and in such manner and upon such terms as it considers fit may (a) apply any or all payments or recoveries from Debtor, from Guarantors or from any other guarantor under this or any other instrument or realized from any security, in such manner and order or priority as Creditors wish, to any indebtedness of Debtor to Creditors, whether or not such indebtedness is guaranteed hereby or is otherwise secured or is due at the time of such application; and (b) refund to Debtor any payment received by Creditors upon any indebtedness hereby guaranteed and payment of the amount refunded shall be fully guaranteed hereby. Any recovery realized from any other guarantor under this or any other instrument shall be first credited upon that portion of the indebtedness of Debtor to Creditors which exceeds the maximum liability of Guarantors, if any, hereunder.

10. The amount of the liability of Guarantors and all rights, powers and remedies of Creditors hereunder and under any other agreement now or at any time hereafter in force between Creditors and Guarantors shall be cumulative and not alternative and such rights, powers and remedies shall be in addition to all rights, powers and remedies given to Creditors by law.

11. The obligations of Guarantors hereunder are independent of the obligations of Debtor and, in the event of any default hereunder, separate action or actions may be brought and prosecuted against Guarantors whether action is brought against Debtor or whether Debtor joined in any such action or actions. Creditors may maintain successive actions for other defaults. Their rights hereunder shall not be exhausted by their exercise of any of their rights or remedies or by any such action or by any number of successive actions until and unless all indebtedness and obligations hereby guaranteed have been paid and fully performed.

12. This is a continuing guarantee and Guarantors agree that it shall remain in full force until and unless Guarantors deliver to Creditors written notice that it has been revoked as to credit granted subsequent to the effective time of revocation as herein provided. Delivery of such notice shall be effective by personal service upon Creditors, or by mailing such notice by personal service upon Creditors, or by mailing such notice by certified or registered mail, return receipt requested, postage prepaid and addressed to Creditors. Regardless of how notice of revocation is given it shall not be effective until twelve o'clock noon Pacific Standard or Daylight Saving Time, as the case may be, on the next succeeding business day following the day such notice is delivered; but delivery of such notice shall not affect any of the obligations of Guarantors hereunder with respect to credit extended prior to the effective date of such revocation nor shall it affect any of the obligations of any other guarantor for the credit granted to Debtor hereunder.

13. Guarantors agree to pay to Creditors without demand reasonable attorneys' fees and all costs and other expenses which Creditors expend or incur in collecting or compromising any indebtedness of the Debtor or in enforcing this guarantee against Guarantors or any other guarantor of any indebtedness hereby guaranteed whether or not suit is filed. Guarantors warrant and represent that they are fully authorized by law to execute this guarantee.

14. This guarantee shall benefit Creditors, their successors and assigns, including the assignees of any indebtedness hereby guaranteed, and bind the successors and assigns of Guarantors. This guarantee is assignable by Creditors with respect to all or any portion of the indebtedness and obligations guaranteed hereunder, and when so assigned Guarantors shall be liable to the assignees under this guarantee without in any manner affecting the liability of Guarantors hereunder with respect to any indebtedness or obligations retained by Creditors.

15. No provision of this guarantee or right of Creditors hereunder can be waived nor can any guarantor be released from his obligations hereunder except by a writing duly executed by Creditors. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall be effective. This guarantee shall be governed by and construed in accordance with the laws of California, to the jurisdiction of whose courts the Guarantors agree to submit.

16. If more than one guarantor signs this guarantee, the obligation of all such guarantors shall be joint and several. When the context and construction so require, all words used in the singular shall be deemed to have been used in the plural and the masculine shall include the feminine and neuter. Any married person who signs this guarantee agrees that recourse may be had against separate property for all obligations under this guarantee.

17. Except as provided in any other written agreement now or at any time hereafter in force between Creditors and the Guarantors, this guarantee shall constitute the entire agreement of the Guarantors with Creditors with respect to the subject matter hereof and no representation, understanding, promise or condition concerning the subject matter hereof shall be binding upon Creditors unless expressed herein.

18. The maximum liability of Guarantors to Creditors hereunder shall be limited to the amounts nor or hereafter due Creditors under the loan evidenced by the loan documents listed in paragraph 3.

19. This Guaranty is secured by a deed of trust in favor of Creditors, as beneficiaries, in _____ is named as Trustee.

IN WITNESS WHEREOF, the undersigned have caused this Guarantee to be executed and delivered as of the date or dates written hereinbelow.

Personal Guarantors:

I understand that I am a personal guarantor to this debt and will be held individually responsible to the terms of the loan and this agreement.

Signed: _____ Signed: _____

NAME: _____ NAME: _____

Guarantors Initial Page Here: [] []