

Financial Guarantee Agreement

"INSURANCE WRAP"

LIFE ASSURANCE

ISSUER _____ Life Assurance **Agreement Number: 00000**

BENEFICIARY: LENDING BANK
ADDRESS: Bank address
City State
Country

Issue Date: Month, Day, Year **Period:** Commencing Date: Month, Day, Year
Maturity Date: Month, Day, Year

Limits: \$000,000,000.00 (USD)

Premium: All Fees and Premiums are earned on the effective date and are non refundable. Payment of any initial premium must be paid prior to the agreement being put into force unless prior arrangements have been made. .

In consideration of your entering into a Trade Platform in the amount of (\$000,000,000.00) Two Hundred and Twenty Five Million Dollars, we the Undersigned hereinafter referred to as the Insurers/Re-Insurers declare:

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As a security for credit facilities we will grant to the LENDER a guarantee with the following terms and conditions.

We, _____ LIFE ASSURANCE, a subsidiary of _____ PLC, U.K. (Insurer/Re-insurer) hereby irrevocably undertake to pay you on first demand of the above mentioned credit relationship; and hereby waiving any and all reasonable rights of objection and/or any defence arising there-from; any claimed amount/s up to an aggregate of:

Seven Hundred Million U.S. Dollars (\$700,000,000 USD);

Including principal, interest and all other real charges, upon receipt of your request for payment and your confirmation in writing or by tested telex or authenticated SWIFT; that the amount/s claimed has/have become due to you and remain unpaid. Your claim will be considered as having been made once we are in possession of your written request for payment or the telex or SWIFT to this effect.

Our Financial Guarantee Agreement is valid during the period described above and shall expire in full, and automatically, if any claim has not been made on or before that date; regardless of such date being a banking day or not.

1. The funds from the "Line of Credit" issued by Lender will be deposited and remain in an account during the term of this agreement and will not be used for any illegal act including the trade of weapons, drugs or any other criminal activity.
2. It is understood by all Parties that in the event the Bond issued by The United States Department of the Treasury fails to maintain the value as described, Insurer/Re-Insurer will guarantee the dollar value of the said Note (AS THEIR INTEREST MAY APPEAR) during the term of this agreement and Insurer/Re-Insurer will place with Lender a Note equivalent to the lost value. The said Note will remain the property of the Insurer/Re-Insurer and no encumbrances will be placed on the Note during the term of this agreement.
3. The Insurers/Re-Insurers hereby agrees that the submission of a claim by Lender and containing their sole confirmation that a default has occurred will be considered by the Insurers/Re-Insurers as sufficient proof of default. Upon occurrence of default Lender shall be entitled to make claim for the due amount and the settlement will be made by the Insurer/Re-Insurer within sixty (60) days of being notified of the said claim. This agreement does not include claims made when criminal or a fraudulent act or acts are made by any Party to this agreement prior to or during the period of the agreement.
4. Insurer/Re-Insurer will not be liable for any depletion in value of the said Bond and any depreciation in value will remain the responsibility of the Issuer and the beneficiary.
5. Insurer/Re-Insurer will not be liable for any loss of profit or interest for any reason during the term of this agreement.
6. It is understood that the Insurers/Re-Insurers have already obtained from ABCDE sufficient collateral and assets to their entire satisfaction and consequently this Agreement is now valid.
7. In the event that the Insurers/Re-Insurers pay to Lender any amount of money under this Agreement, the Insurers/Re-Insurers shall be subrogated in the title rights and actions whatsoever of Lender against _____ in connection with payments made by the Insurers/Re-Insurers. The total amount of this indemnity will be reduced by any payment effected hereunder.
8. The funds from the "Line of Credit" issued by Lender will be deposited and remain in an account during the term of this agreement and will not be used for any illegal act including the trade of weapons, drugs or any other criminal activity.

9. This document is freely divisible, transferable, and assignable and remains in force irrespective of whether this Agreement, covered by this Guarantee is transferred to a Third Party and will continue to remain in force and in favor of the new creditor provided all Parties are notified and approve in writing of any transfer.
10. It is understood and agreed that in the event of there being any claim whatsoever under this Financial Guarantee that “will not” be unconditionally executed by Insurers/Re-Insurers, then any dispute will be governed by Florida law; place of jurisdiction is Tampa.
11. This agreement is binding upon the Parties, their successors and/or assigns and shall remain in force until the obligations as described are satisfied or the indemnity period is ceased.
12. Upon payment in full of all obligations the original copy will be returned to the Insurer/Re-Insurer.

OTHER TERMS AND CONDITIONS:

1. The Beneficiary has authorized the Insurers/Re-Insurers to hold as collateral the “Secured Bond” issued by The United States Department of the Treasury, Bond number ABA123456789, registered number 123456789 owned 100% by the Beneficiary in the amount of \$000,000,000 (XXXXX) Hundred Million, Dollars USD) and said bond will be blocked by a an acceptable correspondence in favor of the Insurer/Re-Insurer.
2. The original copy of the said Bond will be placed with Mr. (), who will place it in a financial Institution acceptable to ABCDE and the Platform. The said Bond will not be removed from the secured location without the express written approval of Mr. (), authorized representative for Insurer/Re-Insurer.
3. Lender agrees to grant to ABCDE the option to pay any default prior to the liquidation of the said Bond.
4. The Parties agree that in the event of default ABCDE will take action to fulfill the obligations to Lender within 5 days of being notified of the default and pay any default in full within the described period outlined in paragraph 3.
5. Due Debt shall mean any debt due to Lender from the Line of Credit that has not been paid when due.

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This agreement is non-renewable and no extensions will be granted without the express written approval of ABCDE and the Insurer/Re-Insurer.

This agreement and all terms and conditions are guaranteed by the Insurer/Re-Insurer according to the cut through clause and will commence on the effective date stated above. If the payment of fees and premiums are not received in full by the authorized representative within 10 days from the effective date, this agreement including all terms and conditions will be null and void as of the effective date stated above.

For and on Behalf of:

_____ Life Assurance
Subsidiary of _____ PLC, UK.

Authorized Insurer Representative
_____ Underwriting Group Inc.
_____, Suite _____,
Toronto, Ont. Canada, _____