



S3 Capital, LLC.
PO Box 4065
Warren, NJ
07059

PERSONAL GUARANTY

Reference is made to that certain Factoring, Security and Service Agreement (“AGREEMENT”) dated - _____, entered into by and between _____ (“Client”) and S3 Capital, LLC.

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce S3 Capital to enter into the AGREEMENT, the undersigned (jointly and severally “Guarantor”) agrees as follows:

- 1. GUARANTY OF OBLIGATIONS:** Guarantor unconditionally guarantees to S3 CAPITAL full payment and prompt and faithful performance by Client of all of its present and future indebtedness and obligations to S3 Capital, which may arise pursuant to the AGREEMENT. The words “indebtedness” and “obligations” are used herein in their most comprehensive sense and include any and all advances, debts, obligations, and liabilities of Client under the AGREEMENT whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether Client may be liable individually or jointly with others, or whether recovery may be or hereafter become barred by any statute of limitations or otherwise become unenforceable. Said indebtedness and obligations guaranteed hereunder shall be collectively referred to herein as “Obligations”.
- 2. RIGHTS ARE INDEPENDENT:** The Obligations of Guarantor are independent of the obligations of Client under the AGREEMENT and separate actions may be brought and prosecuted by S3 Capital against Guarantor whether or not an action is brought against Client or whether Client is joined in any such action or actions.
- 3. WAIVER OF DEFENSES:** Guarantor waives any right to require S3 Capital to proceed first against Client, the account-debtor or customer of Client, or any other person, or proceed against or exhaust any security, or pursue any other remedy in S3 Capital’s power. The liability of Guarantor hereunder shall not be affected or impaired in any way by (i) any sale, pledge, surrender, compromise, settlement, release, indulgence, alteration, substitution, exchange, change in, modification or other disposition of any of the Obligations or collateral thereof; (ii) any acceptance by S3 Capital of collateral for or other guarantors of any of the Obligations; (iii) any failure to obtain, perfect or maintain a security interest in any collateral for the Obligations; (iv) any failure, neglect or omission to realize upon or protect any of the Obligations, or any collateral thereof, or to exercise any lien upon or right of appropriation of any moneys credits or property toward the liquidation of the Obligations; (v) any application of payments or credits upon the Obligations; or (vi) S3 Capital’s extending additional loans, credit and financial accommodations to Client which are guaranteed hereunder. S3 Capital shall not be required to first resort for payment to the Client or other persons or corporations, their properties or estates, or to any collateral, property, liens, or other rights or remedies whatsoever.
- 4. CONTINUING GUARANTY:** It is the intention of Guarantor that this Guaranty shall constitute an absolute, unconditional and continuing guaranty of the Obligations of Client under the AGREEMENT and any addendum, amendment, or modifications thereto. This is a guaranty of payment of the Obligations and shall continue to be in full force and effect and be binding upon Guarantor, whether or not all Obligations are paid in full, until this Guaranty is revoked prospectively by one or more Guarantor as to future transactions by written notice actually received by S3 capital, and such revocation shall not be effective as to Obligations existing or committed for at the time of actual receipt of such notice by S3 Capital, or as to any renewals, extensions and refinancing thereof. If any claim is ever made upon S3 Capital for repayment or recovery of any amount of amounts received by S3 Capital in payment or on account of any of the Obligations, and S3 Capital is required to repay all of any part of said amount, then and in such event, Guarantor shall pay such amounts to S3 Capital as part of the Obligations.
- 5. DEFAULT:** any one or more following shall be a default hereunder: (a) any default in payment or performance of the AGREEMENT, or of the Obligations hereby guaranteed; or (b) any warranty, representation, statement, or report made or delivered to S3 Capital by or on behalf of client, or Guarantor,

is incorrect, false, untrue or misleading when given in any material respect whatsoever; or (c) there shall occur the dissolution of Client the bankruptcy or insolvency of Client, or the transfer, hypothecation or liquidation of all or substantially all of Client's assets or the transfer of any of the interest in Client; (e) any breach of the Guaranty; or (f) any one or more Guarantor revoke or attempt to revoke this Guaranty. In the event of any of the foregoing, the Obligations hereby guaranteed shall become, for the purpose of this Guaranty, due and payable by Guarantor forthwith without demand or notice.

6. **AUTHORITY OF OFFICERS:** it is not necessary for S3 Capital to inquire into the powers of Client or the officers, directors, or agents, acting or purporting to act in its behalf and any Obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed hereunder.
7. **PARTNERSHIP OR ASSOCIATION:** When Client is a partnership or other association, this Guaranty shall cover all Obligations incurred by any person or persons from time to time carrying on the business conducted by Client, notwithstanding any change or changes in the name, structure and/or ownership or membership of Client.
8. **FINANCIAL CONDITION OF CLIENT:** Guarantor represents to S3 Capital that Guarantor is now and will be completely familiar with the business, operation and overall economic condition of Client and that Guarantor hereby waive and relinquish any duty on the part of S3 Capital to disclose any matter, fact, or thing relating to the business, operation or financial condition of Client now known or hereafter known by S3 CAPITAL.
9. **GUARANTOR'S DIRECT BENEFIT:** Guarantor hereby represent and warrant that it in Guarantor's direct interest to assist Client because of Guarantors' position(s) in and economic relation(s) with the Client.
10. **SUBORDINATION:** any indebtedness (including, without limitation, principal, interest, fees, indemnities and other amounts owing with respect thereto) or obligations of the Client to Guarantor, whether now existing or hereafter arising (including without limitation any rights or subrogation Guarantor may have as a result of any payment by Guarantor under this Guaranty), shall be, and such indebtedness and obligations of the Client to Guarantor, and Guarantor hereby assigns to S3 Capital all right, title and interest in and to such indebtedness and obligations, including the right to file proof of claim and to vote thereon in connection with any bankruptcy, insolvency or reorganization proceeding, and including the right to vote on any plan or reorganization. Guarantor hereby waives any claim or other right which Guarantor may now or hereafter acquire against the Client that arises from the existence or performance of Guarantor's obligations under this Guaranty or any Factoring Document, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, indemnification, any right to participate in any claim or remedy of S3 Capital against the Client or any collateral granted as security for any Obligations which S3 Capital has acquired or may hereafter acquire, including, without limitation, the right to take or receive from the Client, directly or indirectly, in cash or other property or by set off or in any other manner, payment or security on account of such claim or other right, until all of the Obligations shall have been fully and irrevocably paid to S3 Capital. Guarantor hereby irrevocably agrees that Guarantor shall not (i) accept payment from any person pursuant to any right of subrogation, reimbursement, exoneration, contribution, indemnification or claim on account of any payment made hereunder, under the AGREEMENT or other Factoring Document, or (ii) take any action to exercise or enforce any such right. If any amount shall be paid to Guarantor in violation of the provision of this paragraph and the Obligations shall not have been paid in full, such amount shall be deemed to have been paid to such person for the benefit of, and held in trust for S3 Capital and shall forthwith be paid to S3 Capital and applied to the Obligations, whether matured or immature, in such order as S3 Capital may determine.
11. **ATTORNEY'S FEES:** Whether or not suit is instituted, Guarantor agrees to pay reasonable attorney's fees and all other costs and expenses incurred by S3 Capital in enforcing this Guaranty and in any proceedings arising out of or relating to this Guaranty.
12. **SUCCESSORS AND ASSIGNS:** This Guaranty shall bind the successors and assigns of Guarantor and shall inure to the benefit of S3 Capital and its successors, assigns, affiliates, subsidiaries and related entities.
13. **GOVERNING LAW AND JURY TRIAL WAIVERS:** This Guaranty shall be governed by, and construed in accordance with, the laws of the State of New Jersey and Guarantor agrees to exclusive jurisdiction in the state and federal courts in Warren, New Jersey. Guarantor specifically waives any right to trial by jury in any court with respect to any contractual, tortious or statutory claim, counterclaim or cross-claim against S3 Capital, arising out of or in connection with this Guaranty, the AGREEMENT or related documents because the parties hereto believe that the costs and delays associated with a jury trial make a jury determination neither desirable nor appropriate.

14. **SEVERABILITY:** In case any right of S3 Capital herein shall be held to be invalid, illegal, or unenforceable, shall not affect any other right granted hereby.
15. **JOINT AND SEVERAL:** All of the obligations of Guarantor shall be joint and several. To the extent there is more than one Guarantor to this Guaranty, the term "Guarantor" as used herein shall mean the "Guarantor and each of them."
16. **SUCCESSOR LIABILITY:** Guarantor, the owner of Client, acknowledges and agrees in individual capacities to all of the terms and conditions contained in Paragraph 14b of the AGREEMENT and, in furtherance of such acknowledgement and agreement, Guarantor covenants and promises that Guarantor will not transfer or cause the transfer of the business or any part of the business of Client without receiving full and fair consideration for the transfer and without providing prior written notice to S3 Capital and obtaining the prior written consent of S3 Capital to the transfer based on Guarantor's reasonable assurance that all accounts receivables owing to S3 Capital under the AGREEMENT will be paid following such transfer. **GUARANTOR FURTHER ACKNOWLEDGES THAT ANY SUCH TRANSFER WITHOUT S3 CAPITAL'S PRIOR WRITTEN CONSENT SHALL BE A DEFAULT UNDER THE AGREEMENT AND ALSO SHALL BE CONSIDERED A TRANSFER WITH ACTUAL INTENT TO HINDER, DELAY, OR DEFRAUD S3 CAPITAL IN COLLECTING SUCH ACCOUNTS AND RECEIVABLES.**
17. **SECURITY:** To secure Guarantor's obligations under this Guaranty, Guarantor hereby grants a first priority security interest to S3 Capital in and to all stock, partnership interests, membership interests, or other ownership interests in the Client now owned or hereafter acquired by any Guarantor. Guarantor authorizes S3 Capital to (i) file all financing statements and amendments thereto necessary to perfect the security interest granted hereunder and (ii) to take all other actions necessary to perfect the security interest including the delivery of all certificates evidencing such ownership interest together with signed stock powers or assignments separate to S3 Capital. Guarantor will cooperate with S3 Capital and take all actions necessary or desirable to perfect and protect such security interest in the Collateral. S3 Capital shall have all of the rights of a secured party under the Uniform Commercial Code-Secured transactions.

Executed this ____ day of _____ 20__ at

(City) _____ (State) _____

_____, Individually
Signature

Print Name

Residential Address

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____,
20__ by _____.

Notary Public _____