



Main Office
397 Eagleview Blvd.
Suite 100
Exton, PA 19341

Guaranty Agreement

This Guaranty Agreement (“Guaranty”), is made and effective this _____ day of _____, 20 _____ by and between _____ (hereinafter “Guarantor”), and Great American Insurance Company, by and through its Environmental Division (collectively, the “Company”).

WHEREAS, Company has agreed to issue the policy(ies) specified in Exhibit A and may in the future issue renewals, modifications or replacements of same (all original policies and any renewals, modifications, or replacements of such policies are hereinafter collectively referred to as “Policies”); and

WHEREAS, pursuant to the terms of the Policies, Company agrees to provide insurance coverage to _____ as described therein; and

WHEREAS, Company requires, as a condition to issuing the Policies, that Guarantor execute and deliver this Guaranty, which Guarantor is willing and freely able to do.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Company and Guarantor (hereinafter referred to as “Parties”), the Parties agree as follows:

1. Agreement to Guaranty

Guarantor irrevocably and unconditionally promises to pay the Company on demand, within thirty (30) days from the date of demand, in lawful money of the United States of America, without offset or deduction, any and all past, present and future amounts paid by the Company under the Policies, including but not limited to allocated and unallocated loss adjustment expenses.

2. Guarantor’s Obligations Are Absolute

This Agreement is an absolute guaranty of payment and performance and not of collection. The obligations of the Guarantor are direct, primary and unconditional and shall remain in full force and effect until the Guarantor has fully discharged its obligations to the Company and, prior to such time, Guarantor’s obligations shall not be released discharged or in any way affected by:

- a. the validity or enforceability of the Policies;
- b. the absence of an action to enforce the Policies;
- c. any variation, extension, waiver, compromise or release of any or all obligations of the Guarantor;
- d. the rendering of a judgment against the Guarantor, or any action to enforce a judgment;
- e. any termination, amendment or modification of the Policies;
- f. any voluntary or involuntary bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, receivership, conservatorship, custodianship, liquidation, marshaling of assets and liabilities or similar proceedings with respect to the Guarantor, or any action taken by any trustee or receiver or by any court in any such proceeding, specifically including any action or order to restore any payment, or any part thereof, as a preferential transfer;
- g. any merger or consolidation of the Guarantor into or with any other entity, or any sale, lease or transfer of any of the assets of the Guarantor to any other person or entity;
- h. any change in the ownership of any interests of the Guarantor; or
- i. any change in the laws, rules, or regulations of any jurisdiction, or by any present or future action of any governmental authority or court amending, varying, reducing or otherwise affecting, or purporting to amend, reduce, vary or otherwise affect, any of the obligations of the Guarantor under this Guaranty.

3. Waiver of Defenses

The Guarantor expressly waives, to the fullest extent permitted by applicable law, each and every defense under the principles of guaranty or suretyship which would otherwise operate to impair or diminish the Guarantor’s direct and primary liability to the payment and other obligations hereunder, if and when called upon to do so. The Guarantor acknowledges and understands that nothing except the full payment of all amounts due and complete compliance with of the obligations under this Guaranty shall release and discharge the Guarantor from its liability hereunder.

4. Waiver of Presentment or Notice

The Guarantor expressly waives diligence, presentment, demand for performance, protest, filing of claims with a court in the event of insolvency or bankruptcy of the Guarantor and all notices whatsoever, including but not limited to notices of non-payment or non-performance, notices of protest, notices of any breach and notices of acceptance of this Guaranty.

5. Successors

This Guaranty will inure to the benefit of the Company and its successors and will be binding upon the Guarantor and its successors, including transferee(s) of substantially all of the assets of the Guarantor, and its shareholders in the event of dissolution or insolvency.

6. Assignment

This Guaranty may not be assigned without the prior written consent of the Company.

7. Termination

This Guaranty will terminate by mutual written agreement of the Guarantor and the Company. Termination will not affect the obligations of the Guarantor with respect to payments made by Company under the Policies, whether paid by Company before or after the effective date of termination, and such obligations of the Guarantor will remain in effect until all such obligations have been paid and discharged. After termination and upon satisfaction by the Company that the Guarantor has fully discharged its obligations hereunder, the Company will return to the Guarantor any collateral, if any provided, securing obligations under this Guaranty.

8. Attorney's Fees

In the event any action is brought regarding this Guaranty, the prevailing party will be paid its reasonable attorney's fees and costs incurred therein.

9. Notices

Any notices given or required to be given under this Guaranty will be in writing and will be given by international courier or certified mail to the following addresses:

If to Company: 397 Eagleview Blvd., Suite 100, Exton, PA 19341;

If to the Guarantor _____

10. Entire Agreement

This Guaranty, including any exhibits or attachments referred to herein, constitutes the final, complete, and exclusive statement of the terms of the agreement between the Parties as to the subject matter hereof, and supersedes all prior and contemporaneous agreements, representations and understandings of the Parties, whether written or oral. Modifications to this Guaranty must be made, in writing, and signed by authorized representatives of both Parties.

11. Governing Law

This Guaranty and all rights, obligations, and liabilities hereunder will be governed by and construed in accordance with the laws of the State of New York, regardless of any conflict of laws rules.

12. Jurisdiction

In the event of a dispute under this Guaranty, the Guarantor hereby consents to the jurisdiction of a court of competent jurisdiction within the State of New York and the Guarantor will comply with all requirements necessary to give the court jurisdiction. Nothing in this Agreement constitutes or should be understood to constitute a waiver of the Company's rights to remove an action to a United States District Court in the State of New York.

13. Counterparts

This Guaranty may be executed in two or more counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument.

14. Descriptive Headings

The descriptive headings used herein are inserted for the convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Guaranty.

15. Severability

If any provisions of this Guaranty should be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality and enforceability of the remaining provisions will not be affected thereby.

16. Authority

The Guarantor represents and warrants that it has the corporate power to enter into this Guaranty, that its execution of this Agreement has been authorized by all necessary action under its Articles of Incorporation or By-Laws, and that the person signing this Guaranty on its behalf has the authority to do so.

IN WITNESS WHEREOF, and intending to be legally bound, the Guarantor and the Company have caused this Agreement to be executed as of the date above written.

Guarantor

Company

By: _____
Name

By: _____
Name

Title

Title

Date

Date

