

## INDEMNITY

For good and valuable consideration, the receipt of which is acknowledged Chateau World Resorts (a club of endless vacations) of 10455 - 172nd Street, Edmonton, Alberta, T5S 1K9, the undersigned, hereinafter called "Indemnifier", unconditionally indemnifies Travelers Acceptance Corporation (hereinafter called "Creditor") the full and prompt performance by Chateau World Vacations Inc. doing business as Chateau World (hereinafter called "Debtor"), of all obligations which Debtor presently or hereafter may have to Creditor, and payment when due of all sums presently or hereafter owing by Debtor to Creditor whether arising by Lease, Conditional Sale Contract, Promissory Note or otherwise, and whether secured or unsecured as if the Indemnifier had contracted directly with the Creditor.

The Indemnifier agrees that it shall not be necessary, as a condition to enforce this Indemnity, that suit be first instituted against Debtor or that any rights or remedies against Debtor be first exhausted, it being understood and agreed that Indemnifier is jointly and severally obliged with Debtor for the due and complete performance of Debtor's obligations to Creditor and that the liability of the Indemnifier hereunder shall be primary, direct, and in all respects unconditional.

In addition to and as the direct and sole obligation of the Indemnifier, the Indemnifier agrees that if the Debtor should become bankrupt or insolvent or make an assignment for the general benefit of its creditors, the Indemnifier shall become the lessee of the property covered by any lease between Creditor and the Debtor for covenants and conditions and make all payments therein provided to be performed or made by the Debtor thereunder, and if required by Creditor will execute, deliver and be bound by a lease in the same terms and conditions as such bankruptcy or insolvency of the Debtor.

This shall be a continuing indemnity and irrespective of the lack of any notice to or consent of the Indemnifier, its obligations hereunder shall not be impaired in any manner whatsoever by any

- (a) new agreements or obligations of Debtor with or to Creditor, amendments, extensions, modifications, renewals or waivers of default as to any existing or future agreement or obligations of Debtor; or
- (b) adjustments, compromises or releases of any obligations of Debtor, Indemnifier, or other parties, or exchanges, releases or sales of any security of Debtor, Indemnifier or other parties; or
- (c) the invalidity or unenforceability, for any reason, of any instrument or writing, or acts of commission or omission by Creditor or Debtor; or
- (d) and all indemnities previously granted by Indemnifier with respect to Debtor, but is in addition to, and not in substitution for any such indemnities, Notices of Creditor's acceptance hereof, of default or nonpayment by Debtor or any other parties, or presentment, protest and demand, and of all other matters of when Indemnifier otherwise might be entitled, including all benefits of discussion and division is hereby waived.

The obligations hereunder of the Indemnifier shall be binding upon its respective successors, assigns and legal representatives. If the Creditor assigns any of all of the obligations of the Debtor, this Indemnity shall continue for the benefit of the Creditor such assignee or subsequent assignee. The dissolution or release from liability of any other Indemnifier, covenantor or guarantor shall not relieve the undersigned Indemnifier from liability hereunder.

The Indemnifier shall reimburse Creditor on demand, for all expenses incurred by it in the enforcement or attempted enforcement of any of its rights hereunder, which rights shall be determined in accordance with the laws of British Columbia

The Indemnifier hereby waives, where applicable, and to the full extent allowed by law, the provision of the Limitation of Civil Rights Act of Saskatchewan as amended. Indemnifier waives the benefit of any statute of limitations effecting its liability hereunder or the enforcement hereof.

The parties hereby acknowledge that they have required this contract and all other agreements and notices require or permitted to be entered into or given pursuant hereto, to be drawn upon the English language.

Indemnifier has duly signed and delivered this Indemnity. If Indemnifier is a corporation, affix Corporate Seal, if available.

This \_\_\_\_ day of \_\_\_\_\_.

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Andre Muran

## Resolution Authorizing Execution of Indemnity

“Resolved that the \_\_\_\_\_  
is/are hereby authorized for and on behalf of the Corporation to execute and deliver to Travelers Acceptance Corporation an indemnity substantially in the form of the indemnity Agreement (attached and hereto and initialed by the \_\_\_\_\_ for identification) presented to the directors, with such alterations, amendments, deletions, or additions as may be approved by the persons executing the same and the execution accordingly shall be conclusive of such approval and that the indemnity so executed is the General Agreement authorized by this Resolution.

“Any officer or director is hereby authorized to execute and deliver on behalf of the Corporation all such other documents and writings and to do such other acts and things as may be necessary or desirable for fulfilling the Corporations obligations under the indemnity”

### Certification

I hereby certify that the foregoing is a true and correct copy of the Resolution duly passed by the Directors of Chateau World Vacations Inc. on or about the \_\_\_\_\_ day of \_\_\_\_\_, 2007 and that the said Resolution is now in full force and effect.

\_\_\_\_\_ c/s

Name: \_\_\_\_\_

Title: \_\_\_\_\_