## ABSOLUTE, UNCONDITIONAL AND CONTINUING GUARANTY AGREEMENT

THIS IS A CERTIFIED COPY OF THE ORIGINAL.

THIS AGREEMENT, made and entered into by and between First Premier Capital LLC ("Lessor") and Charles K. Schwartz ("Guarantor").

## RECITALS:

Allied Health Care Services, Inc. ("Lessee") has requested that Lessor and Lessee enter into a Lease Agreement No. ALL022207 dated February 22, 2007 under and by virtue of which Lessor will purchase and may from time to time in the future purchase, at the request of the Lessee, personal property (the "Equipment") to be leased by Lessor to Lessee pursuant to the terms of such Lease Agreement, together with all Lease Schedules, attachments and riders attached or to be attached thereto (the "Lease"); and

WHEREAS, Lessor as a condition precedent to entering into said Lease has requested Guarantor provide security by unconditionally guaranteeing payment to Lessor of all rental and moneys due and to become due to Lessor from Lessee together with all of the obligations and liabilities of Lessee under the Lease (the "Obligations"); and

WHEREAS, Guarantor, in furtherance of his business and/or investment objectives is willing to provide such security hereinafter set forth;

NOW, THEREFORE, in order to induce Lessor to enter into the Lease and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Guarantor agrees as follows:

- 1. Guaranty, Guarantor absolutely, unconditionally and irrevocably guarantees to Lessor the due and punctual payment, observance and performance by Lessee of all of the obligations and liabilities of Lessee under the Lease, both present and future, and any and all subsequent renewals, continuations, modifications, supplements and amendments. If Lessee fails duly and punctually to pay, observe and perform any or all of the Obligations, Guarantor shall, upon demand by Lessor, immediately pay, perform and observe such Obligations strictly in accordance with the terms of the Lease. This Guaranty shall be effective immediately and shall remain in full force and effect until all of the Obligations are paid, performed and observed in full.
- 2. Strict Observance. Guarantor agrees that the Obligations will be paid, performed, and observed strictly in accordance with their terms, regardless of any rights of Lessee against Lessor. The obligations of Guarantor hereunder are without regard to the obligations of any other person or entity, and shall not be affected by any circumstances, including without limitation: (i) any act or omission by Lessor, which act or omission is hereby agreed to; (ii) any lack of enforcement or retention of rights against Lessee, Guarantor or any other person or entity or any property; (iii) partial or complete illegality, unenforceability or invalidity of the Obligations, or any other guaranty, surety, pledge, assignment or other security for any Obligations; (iv) any termination or amendment of or change in the Lease or any other instrument, or the Equipment or any part thereof, or any leasing, assignment, mortgage or transfer of any thereof or of any interest therein, or any furnishing, acceptance, failure or release of any interest in any such security; (v) any failure, omission or delay on the part of Lessee or any other person or entity to comply with any term of the Lease (vi) any waiver of the payment, performance or observance of any of the Obligations, or any other waiver, consent, extension, indulgence, compromise, settlement or release in respect of the Lease or any obligation or liability of Lessee or Lessor or any exercise or non-exercise of any right, remedy, power or privilege in respect of the Lease or any Obligation; (vii) any voluntary or involuntary bankruptcy, insolvency, reorganization, composition, receivership or similar proceedings with respect to Lessee, Guarantor, or any other person or entity or any properties or creditors, or any taken by any court, trustee or receiver in any such proceeding; (viii) any limitation on the liability or obligations of Lessee or any other person or entity under the Lease or any discharge termination, cancellation or frustration, in whole or in part, of the Lease; (ix) any defect in the title or condition of, or any damage to or loss or destruction of the Equipment, or any portion thereof; (x) any merger or consolidation of Lessee or Guarantor into or with any other corporation or entity, or any sale, lease or transfer of any of the assets of Lessee or Guarantor to any other person or entity; (xi) any change in the ownership of Lessee, or any change in or termination of any relationship between Lessee and Guarantor; or (xii), any other condition circumstances which might otherwise constitute a legal or equitable discharge, release or defense of a surety or Guarantor. No delay in making demand on Guarantor for satisfaction of the obligations of Guarantor hereunder shall prejudice the right of Lessor to enforce the obligations of Guarantor hereunder.
- 3. Waivers of Notice. Etc. Guarantor waives diligence, presentment, demand, protest or notice of any kind whatsoever with respect to this Guaranty or the Obligations, including without limitation (i) notice of acceptance of this Guaranty, notice of nonpayment or nonperformance of any of the Obligations, notice of an Event of Default (as defined in the Lease) or other default and notice of any of the matters described in Paragraph 2 hereof, (ii) any right to the enforcement, assertion or exercise of any right, power, privilege or remedy conferred in the Lease or otherwise, (iii) any requirement to exhaust any remedies or to mitigate damages resulting from a default under the Lease; (iv) any notice of any sale, transfer or other disposition of any right, title to or interest in the Lease, the equipment or any collateral security, or any part thereof, or (v) any requirement of promptness in commencing suit, action or other proceeding and the giving to or making any claim or demand on Guarantor, Lessee or any other person or entity. Guarantor agrees that it shall not be required or have the right to consent to, or to receive any notice of, any supplement to or amendment of, or waiver or modification of, the terms of this Lease. No notice to or demand on Guarantor shall entitle Guarantor to any other or further notice or



demand in the same, similar or other circumstances.

- 4. Extensions. Etc. Lessor may in its sole discretion, at any time or from time to time, (i) renew, extend, change or modify the time, manner, place or terms of payment, performance or observance of any or all of the Obligations, (ii) apply payments by Lessee or Guarantor to any Obligations or any other Obligations or liability of Lessee or Guarantor to Lessor, (iii) exchange, release or surrender any security or property which may at any time be held by it, (iv) release any surety or guarantor for or of any of the Obligations (v) settle or compromise any or all of the Obligations with Lessee or any other person or entity liable thereon or (vi) subordinate the payment, performance or observance of any other debts or obligations which may be due or owing to Lessor or any other person or entity, all in such manner and upon such terms as Lessor may deem proper, without notice to or further assent from Guarantor.
- 5. No Waiver. No failure by Lessor to exercise, and no delay in exercising, this Guaranty shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or remedy, of Lessor.
- 6. Guaranty of Performance, Etc. This Guaranty is a guaranty of payment and performance and not of collection. Guarantor shall pay to Lessor all reasonable attorneys' fees and other reasonable expenses incurred by Lessor in protecting its interests hereunder or in exercising its rights and remedies provided hereunder, together with interest on such sums at the lesser of .05% per day or the maximum rate permitted by law, from the date which such expenses are incurred.
- 7. Bankruptcy Etc. If at any time all or any part of any payment or performance theretofore applied by Lessor to any of the obligations is or must be rescinded or returned by Lessor for any reason whatsoever (including without limitation the insolvency, bankruptcy or reorganization of Lessee), such Obligations shall, for the purposes of this Guaranty, be deemed to have continued to be effective or be reinstated, as the case may be, as to such Obligations, all as though such application by Lessor had not been made. If an event permitting the declaration of default under the Lease occurs and such declaration of default is prevented by reason of any case or proceeding under a bankruptcy or insolvency law, for purposes of this Guaranty and its Obligations hereunder, the Lease shall be deemed to have been declared in default; and Guarantor shall pay the amounts specified by Lessor to be paid thereunder without further notice or demand.
- 8. Assignment, Lessor may at any time sell, assign, transfer or otherwise dispose of all or any part of its interest in this Guaranty and, in such event, this Guaranty shall inure to the benefit of, and be enforceable by, the successors and assigns of Lessor, assign any interest hereunder or related hereto (including without limitation any claim arising by subrogation).
- 9. <u>Guarantor's Obligation: No Set-off.</u> Guarantor's obligation hereunder shall be absolute and unconditional and shall not be subject to any right of set-off, recoupment, deduction or other defense which Guarantor or any other person or entity may now or hereafter have against Lessor. All such payments made shall be final, and Guarantor will not seek to recover for any reason whatsoever any such payments made.
- 10. <u>Limitations on Subrogation</u>. Guarantor shall have no right of subrogation, reimbursement or indemnity whatsoever, and no right of recourse to or with respect to any assets or property of Lessee and waives any right to enforce any remedy which Lessor now has or may hereinafter have against Lessee until all of the Obligations have been paid in full, performed and observed. Any subrogation right to which Guarantor becomes entitled and any other obligation of any kind owing from Lessee to Guarantor shall be subject and subordinate to the rights of Lessor against Lessee under the Lease. No payment or performance hereunder by Guarantor shall give rise to any claim of Guarantor against Lessor.
- 11. Arbitration. All controversies, claims and disputes arising out of or relating to this Guaranty, the Lease, or the breach of either thereof, except as otherwise provided in this Guaranty or in the Lease, shall be decided by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect; provided, however, this agreement to arbitrate shall not apply to (i) any claim in excess of \$25,000.00, (ii) any claim by Lessor for provisional remedies to obtain or recover possession of the Equipment, or (iii) any disputes if Lessee is a debtor in a proceeding under the Federal Bankruptcy Laws.
- 12. Acceleration. Guarantor agrees that if any Event of Default as defined in the Lease occurs, then any and all Obligations of the undersigned under this Guaranty or otherwise shall, at the Lessor's option and without notice, forthwith become due and payable by Guarantor.
- 13. Miscellaneous. This Guaranty shall be governed by the laws of the State of Minnesota. The Guarantor and Lessor hereby consent to the jurisdiction of any Federal or State Court located in Hennepin County for a determination of any dispute, outside of those that are resolved in arbitration, as to any matters whatsoever arising out of or in any way connected with this Guaranty and authorize service of process on the Guarantor by certified mail sent to the Guarantor at the address for the Guarantor as set forth herein below.
- 14. <u>Severability</u>. Any provision of this Guaranty which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceable, provision without invalidating the remaining provisions hereof, Guarantor and Lessor hereby waive any provisions of law which renders any provision hereof prohibited or unenforceable in any respect.
  - 15. Entire Agreement. This Guaranty constitutes the entire agreement of Guarantor and Lessor with respect to the subject matter

hereof. All prior or contemporaneous understanding or agreements, written or oral, between Guarantor and Lessor with respect to the subject matter hereof are hereby entirely superseded.

IN WITNESS WHEREOF, the Guarantor, intending to be legally bound hereby, has duly executed this Guaranty Agreement to be duly executed this 2011 day of 2007.

INDIVIDUAL GUARANTOR:

By: Charles & Schur

SS: 158-48-3334

Home Address: 37 Timberline Dr. Sparta, NJ 07871