

FORM 38 (RULE 10-2 (2))

[Style of Proceeding]

SECURITY FOR RECEIVER

[Rule 22-3 of the Supreme Court Civil Rules applies to all forms.]

Date of this guarantee:

Name and address of receiver:

Name and registered office of surety:

Liability of surety under this guarantee: \$.....

Annual premium: \$.....

This guarantee is made between the RECEIVER, THE SURETY AND HIS MAJESTY THE KING in right of British Columbia.

- 1 The receiver and the surety hereby jointly and severally covenant with His Majesty the King in right of British Columbia that the receiver will, from time to time, duly account for what the receiver has already received since the date of the order appointing the receiver and will hereafter receive or for what since the date of the order the receiver has or will hereafter become liable to pay or account for as receiver *[and manager]* and will pay every sum of money and deliver every property that the court may direct.
- 2 If the receiver does not, for every successive 12 months computed from the date of the receiver's appointment, pay at the office of the surety the annual premium noted above, then the surety may apply to be relieved from all further liability under this guarantee, except in respect of any damage or loss occasioned by any act or default of the receiver in relation to the receiver's duties as receiver *[and manager]* prior to the hearing and determination of the application.
- 3 A statement under the hand of the registrar of the amount that the receiver is liable to pay and has not paid under paragraph 1 and that the loss or damage has been incurred through the act or default of the receiver is conclusive evidence in any action by His Majesty against the receiver and surety, or either of them, or by the surety against the receiver, of the truth of the contents of the statement and constitutes a binding charge not only against the receiver and the receiver's personal representatives, but also against the surety and its funds and property without it being necessary for His Majesty to take any proceedings against the surety and the surety's funds and property and without it being necessary for His Majesty to take any proceedings against the receiver for the recovery thereof and without any further or other proof being given in that behalf in any action to enforce this guarantee.
- 4 The liability of the surety under this guarantee is limited to the sum noted above, provided that the registrar may approve, in writing, the reduction of the liability of the surety, in which event the surety's maximum liability with respect to any acts or omissions of the receiver subsequent to the date of the approval is reduced accordingly and provided further that an endorsement executed by the surety increasing the liability of the surety will be binding on

the surety with respect to any acts or omissions of the receiver subsequent to the date of that endorsement.

- 5 The receiver will, on being discharged from office or on ceasing to act as receiver [*and manager*], promptly give written notice of that discharge to the surety, and also within 7 days after the notice give the surety a copy of any order discharging the receiver.
- 6 The receiver and the receiver's personal representatives will at all times hereafter indemnify the surety against all loss, damage, costs, and expenses that the surety sustains by reason of the surety having executed this guarantee.

In witness whereof, the receiver has hereunder set the receiver's hand and seal and the surety has caused its common seal to be affixed[*date*]..... .

SURETY [SEAL]

RECEIVER [SEAL]

Date:

Approved:

Registrar

ENDORSEMENT TO GUARANTEE NO.

The liability of the surety under this guarantee has been increased from \$..... to \$....., effective[*date*]..... with respect to any acts or omissions of the receiver subsequent to that date.

SURETY [SEAL]