



UNCONDITIONAL INDIVIDUAL & CONTINUING GUARANTY

This Unconditional Individual & Continuing Guaranty ("Guaranty") is made by the undersigned (respectively or collectively, "Guarantor") in favor of Scents, Inc. d/b/a Perfumes of the World ("PERFUMES OF THE WORLD"), in consideration of and as an inducement to PERFUMES OF THE WORLD to enter, and for value received, the Credit Application ("Agreement") executed by the individual or business entity set forth above the signature block hereto ("Customer"). The terms "Debtor" and "Secured Party" as used in this security agreement include the heirs, executors or administrators, successors or assigns of those parties.

Guarantor (whether one or more than one) unconditionally, personally, and individually guarantees by this Guaranty the prompt full payment and performance of all liabilities, obligations, conditions, covenants, agreements, and duties of Customer that are or may become due and owing to PERFUMES OF THE WORLD, including, but not limited to, all obligations arising out of the Agreement (including all renewals, extensions, amendments, refinancings, and other modifications thereof and all costs, attorneys fees and expenses incurred by PERFUMES OF THE WORLD in connection with the collection or enforcement thereof, and including all interest that accrues upon such liabilities and obligations, including interest as set forth in the Agreement and interest that accrues after the commencement by or against Customer of any proceeding under any applicable debtor relief laws), or any and all agreements, orders, statements, invoices, or other PERFUMES OF THE WORLD documents between Customer and PERFUMES OF THE WORLD as if the Agreement and any other agreement was signed between Guarantor and PERFUMES OF THE WORLD (the "Guaranteed Obligations"). Guarantor agrees to pay all PERFUMES OF THE WORLD's costs, expenses, and reasonable attorneys' fees incurred in enforcing the Guaranteed Obligations, or incurred by PERFUMES OF THE WORLD in enforcing this Guaranty.

Guarantor agrees that this Guaranty will not be affected in any way by the modification, amendment, extension, variation, or renewal of any agreement between Customer and PERFUMES OF THE WORLD, the granting of extension of the time for payment, the filing by or against PERFUMES OF THE WORLD of bankruptcy, insolvency, reorganization, or other debtor relief afforded to Customer under the U.S. Bankruptcy Code, or any other state or federal statute, or by the decision of any court of law. This Guaranty is a continuing and irrevocable guaranty of all Guaranteed Obligations. No termination of this Guaranty shall be affected by the death of Guarantor. This Guaranty shall be effective regardless of any subsequent incorporation, reorganization, merger, or consolidation of Customer, change of partners, change of name, or any other change in the composition, nature, personnel or location of Customer whatsoever.

Guarantor further agrees that their obligations under this Guaranty shall not be released, discharged, diminished, impaired, reduced, or affected for any reason or by the occurrence of any event, including, without limitation, one or more of the following events, whether or not with notice to

or the consent of Guarantor: (a) the taking or accepting of collateral as security for any or all of the Guaranteed Obligations or the release, surrender, exchange, or subordination of any collateral now or hereafter securing any or all of the Guaranteed Obligations; (b) any partial release of the liability of Customer, Guarantor or any other obligor, or the full or partial release of Customer or any other guarantor or obligor from liability for any or all of the Guaranteed Obligations; (c) any disability of Customer, or the dissolution, insolvency, or bankruptcy of Customer, or any other guarantor, or any other party at any time liable for the payment of any or all of the Guaranteed Obligations; (d) any renewal, extension, modification, waiver, amendment, or rearrangement of any or all of the Guaranteed Obligations or any instrument, document, or agreement evidencing, securing, or otherwise relating to any or all of the Guaranteed Obligations; (e) any adjustment, indulgence, forbearance, waiver, or compromise that may be granted or given by PERFUMES OF THE WORLD to Customer, Guarantor, or any other party ever liable for any or all of the Guaranteed Obligations; (f) any neglect, delay, omission, failure, or refusal of PERFUMES OF THE WORLD to take or prosecute any action for the collection of any of the Guaranteed Obligations or to foreclose or take or prosecute any action in connection with any instrument, document, or agreement evidencing, securing, or otherwise relating to any or all of the Guaranteed Obligations; (g) the unenforceability or invalidity of any or all of the Guaranteed Obligations or of any instrument, document, or agreement evidencing, securing, or otherwise relating to any or all of the Guaranteed Obligations; (h) any payment by Customer or any other party to PERFUMES OF THE WORLD is held to constitute a preference under applicable bankruptcy or insolvency law or if for any other reason PERFUMES OF THE WORLD is required to refund any payment or pay the amount thereof to someone else; (i) the settlement or compromise of any of the Guaranteed Obligations; (j) the non-perfection of any security interest or lien securing any or all of the Guaranteed Obligations; (k) any impairment of any collateral securing any or all of the Guaranteed Obligations; (l) the failure of PERFUMES OF THE WORLD to sell any collateral securing any or all of the Guaranteed Obligations in a commercially reasonable manner or as otherwise required by law; (m) any change in the corporate existence, structure, or ownership of Customer; or (n) any other circumstance which might otherwise constitute a defense available to, or discharge of, Customer or Guarantor.

Guarantor waives: (a) except as expressly required hereby, promptness, diligence, notice of any default under the Guaranteed Obligations, notice of acceleration or intent to accelerate, demand for payment, notice of acceptance of this guaranty, presentment, notice of protest, notice of dishonor, notice of sales to Customer or the incurring by Customer of additional indebtedness, notice of any suit or other action by PERFUMES OF THE WORLD against Customer or any other person, any notice to any party liable for the obligation which is the subject of the suit or action, and all other notices and demands with respect to the Guaranteed Obligations and this guaranty; (b) any right to revoke

this guaranty with respect to future indebtedness; (c) any right to require PERFUMES OF THE WORLD to do any of the following before Guarantor is obligated to pay the Guaranteed Obligations or before any beneficiary may proceed against Guarantor: (i) sue or exhaust remedies against Customer and other guarantors or obligors, (ii) sue on an accrued right of action in respect of any of the Guaranteed Obligations or bring any other action, exercise any other right, or exhaust all other remedies, or (iii) enforce rights against Customer's assets or any collateral pledged by Customer to secure the Guaranteed Obligations; (d) any right relating to the timing, manner, or conduct of PERFUMES OF THE WORLD's enforcement of rights against Customer's assets or the collateral pledged by Customer to secure the Guaranteed Obligations; (e) if Guarantor and Customer (or a third-party) have each pledged assets to secure the Guaranteed Obligations, any right to require PERFUMES OF THE WORLD to proceed first against the other collateral before proceeding against collateral pledged by Guarantor; (f) (i) any principles or provisions of law, statutory, or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting Guarantor's liability hereunder or the enforcement thereof, and (iii) any requirement that PERFUMES OF THE WORLD protect, secure, perfect or insure any security interest or lien or any property subject thereto; (g) if applicable, each of the foregoing rights or defenses regardless whether they arise under (i) Section 43.001-005 of the Tex. Civ. Prac. & Rem. Code, as amended (ii) Section 17.001 of the Texas Civil Practice and Remedies Code, as amended, (iii) Rule 31 of the Texas Rules of Civil Procedure, as amended, or (iv) common law, in equity, under contract, by statute, or otherwise; and (h) if applicable, any and all rights under Sections 51.003, 51.004 and 51.005 of the Texas Property Code, as amended.

Guarantor agrees that PERFUMES OF THE WORLD shall not be first required to enforce against Customer or any other person any liability, obligation or duty guaranteed hereby before seeking enforcement thereof against Guarantor. A suit may be brought and maintained against Guarantor by PERFUMES OF THE WORLD to enforce any liability, obligation or duty guaranteed hereby without joinder of Customer or any other person.

Until the Guaranteed Obligations have been paid, in full, Guarantor hereby covenants and agrees that it shall not assert, enforce, or otherwise exercise (a) any right of subrogation to any of the rights, remedies or liens of PERFUMES OF THE WORLD or any other beneficiary against Customer or its affiliates or any other guarantor of the Guaranteed Obligations or any collateral or other security, or (b) unless such rights are expressly made subordinate to the Guaranteed Obligations (in form and upon terms acceptable to PERFUMES OF THE WORLD) and the rights or remedies of PERFUMES OF THE WORLD under this guaranty and the Credit Agreement, any right of recourse, reimbursement, contribution, indemnification, or similar right against Customer or its affiliates or any other guarantor of all or any part of the Guaranteed Obligations.



The liability of Guarantor hereundershall, at the option of PERFUMES OF THE WORLD, without notice, become immediately fixed and enforceable for the full amount thereof, whether then due or not due, as though all of the Guaranteed Obligations had become past due in the event that Guarantor shall make an assignment for the benefit of their creditors or a composition with creditors, shall be unable or admit in writing their inability to pay, or shall generally fail to pay, his/her debts as they mature, shall file a petition commencing a voluntary case concerning Guarantor under any chapter of Title 11 of the United States Code entitled "Bankruptcy"; or an involuntary case shall be commenced against Guarantor under any such chapter and relief is ordered against him or the petition is controverted but is not dismissed within 60 days after the commencement of such case. In the event that Guarantor should breach or fail to timely perform any provisions of this guaranty, Guarantor shall, immediately upon demand by PERFUMES OF THE WORLD, pay PERFUMES OF THE WORLD all costs and expenses (including court costs and reasonable attorneys' fees) incurred by PERFUMES OF THE WORLD in the enforcement hereof for the preservation of PERFUMES OF THE WORLD's rights hereunder. The covenant contained in this Paragraph shall survive the payment of the Guaranteed Obligations.

Guarantor authorizes PERFUMES OF THE WORLD to investigate Guarantor's credit and business affairs. Guarantor agrees that PERFUMES OF THE WORLD may request consumer reports and other available credit reports about Guarantor in connection with this application, when PERFUMES OF THE WORLD is reviewing, updating or collecting credit from Customer or Guarantor in the future, and as otherwise permitted by applicable law. Upon Guarantor's request, PERFUMES OF THE WORLD will inform Guarantor if a consumer report was requested and the name and address of any reporting agency that furnished any such consumer report.

Condition of Customer. Guarantor acknowledges and agrees that they have the sole responsibility for, and has adequate means of, obtaining from Customer such information concerning the financial condition, business, and operations of Customer as Guarantor requires, and that PERFUMES OF THE WORLD has no duty, and Guarantor is not relying on PERFUMES OF THE WORLD at anytime, to disclose to Guarantor any information relating to the business, operations or financial condition of Customer. Guarantor represents and warrants as follows: (a) Guarantor has the PERFUMES OF THE WORLD and authority and legal right to execute, deliver, and perform their obligations under this Guaranty and this Guaranty

constitutes the legal, valid, and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms, except as limited by bankruptcy, insolvency, or other laws of general application relating to the enforcement of creditor's rights, (b) Guarantor has received or will receive direct or indirect benefit from the making of this Guaranty and the creation of the Guaranteed Obligations, (c) the value of the consideration received and to be received by Guarantor hereunder is reasonably worth at least as much as the liability and obligation of Guarantor hereunder, (d) that PERFUMES OF THE WORLD has made no representations to Guarantor in order to induce Guarantor to execute this Guaranty, (e) the execution, delivery, and performance by Guarantor of this Guaranty do not and will not violate or conflict with any law, rule, or regulation or any order, writ, injunction, or decree of any court, governmental authority or agency, or arbitrator and do not and will not conflict with, result in a breach of, or constitute a default under, or result in the imposition of any lien upon any assets of Guarantor pursuant to the provisions of any indenture, mortgage, deed of trust, security agreement, franchise, permit, license, or other instrument or agreement to which Guarantor or its properties are bound, and (f) no authorization, approval, or consent of, and no filing or registration with, any court, governmental authority, or third party is necessary for the execution, delivery, or performance.

Payment & Performance. Payment is due at the physical location of PERFUMES OF THE WORLD that is provided in this Agreement, or at such other address as we may designate in writing from time to time. If Customer does not pay or perform on time, all amounts owed, less any unincurred or unearned charges, become immediately due and payable in full. Subject to any legal limits, Customer agrees to pay: (a) the interest rate of one and one-half percent (1.5%) per on past due amounts from date due until paid; (b) all costs of collection, including without limitation, attorneys' fees, court costs, and expenses; and \$25 fee for each returned item (whether check or ACH) that is dishonored for any reason, or such greater amount allowed by law. In each instance, all charges and fees, and our rights and remedies, are subject to and automatically constrained by applicable law.

Choice of Law & Venue. The Agreement, and all aspects of this Agreement and all transactions and disputes between Customer and PERFUMES OF THE WORLD, shall be enforced under the laws of the State of Texas. THIS AGREEMENT IS TO BE PERFORMED BY PERFUMES OF THE WORLD IN DALLAS COUNTY, TEXAS. THE PARTIES CONSENT TO EXCLUSIVE JURISDICTION AND VENUE IN THE STATE COURTS OF

DALLAS COUNTY, TEXAS, OTHER THAN ACTION TO ENFORCE ANY JUDGMENT RENDERED IN THIS MATTER. Customer waives any right Customer may have to transfer or change venue regarding Customer's obligations to PERFUMES OF THE WORLD under this Agreement.

JURY WAIVER. Guarantor waives any and all rights to a trial by jury in connection with the enforcement or interpretation by judicial process of any provision of this Guaranty or the Agreement, and in connection with allegations of state or federal statutory violations, fraud, misrepresentation, or similar causes of action or any legal action initiated for the recovery of damages for breach of this Guaranty or the Agreement.

Notices. Any notice or communication required or permitted hereunder by Customer to PERFUMES OF THE WORLD shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage fully prepaid registered or certified mail, and addressed, emailed, or faxed at:

Perfumes of the World
2503 Southwell Rd., Dallas TX 75229
Tel. No.: (972) 247-7850
Fax No.: (972) 247-8015
Email: kingraf@aol.com or
anita@perfumesoftheworldus.com

Any address for notice may be changed by written notice delivered as provided herein.

Severability. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect.

Binding Effect. The Guaranty shall be binding upon Guarantor and their spouses, heirs, survivors, successors, assigns, owners, directors, members, partners, shareholders, managers, officers, and representatives, and inures to the benefit of PERFUMES OF THE WORLD.

Waiver & Modification. No provision of this Guaranty may be waived, amended, supplemented or modified, except by a written instrument executed by PERFUMES OF THE WORLD and Guarantor making specific reference to the change to be made, and any attempted waiver, amendment, supplement or modification hereof, except by such a written instrument, shall be deemed null and void and of no effect.

FINAL AGREEMENT. THIS GUARANTY REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS BETWEEN THE PARTIES.

LEGAL NAME OF CUSTOMER (Corporation, LLC, Sole Proprietor)		DBA/TRADE NAME
Signature	Print Guarantor's Name	Date
Signature	Print Guarantor's Name	Date
Signature	Print Guarantor's Name	Date