

SCHEDULE 18

PAYMENT GUARANTEE

Dated _____, 2004

Her Majesty the Queen in Right of the Province of British Columbia, represented by the Minister of Finance (the "**Guarantor**"), hereby guarantees payment to AHV Access Health Vancouver Ltd., and its successors and permitted assigns ("**Project Co**"), of all amounts due and payable (the "**Guaranteed Obligations**") to Project Co by Vancouver Coastal Health Authority and its successors and permitted assigns (collectively "**VCHA**") pursuant to, and in accordance with the terms of, the Project Agreement made as of the ____ day of _____, 2004 and the Building Lease and VCHA Sublease, as therein defined, in each case as amended from time to time (the "**Agreements**"), including in particular but without limitation those arising under Sections 4 and 16.3 and Schedules 12 and 15 of the Project Agreement. The obligations of the Guarantor hereunder will not arise until the Guaranteed Obligations are properly due and payable or arising under or in respect of the Agreements and the time for payment thereof by VCHA under the Agreements has expired.

This guarantee is payable on demand upon notice from Project Co to the Guarantor.

Project Co will provide to the Guarantor copies of any notices (including notices of default and notices of termination) issued to VCHA related to VCHA's failure to make payments under the Agreements, such copies to be provided to the Guarantor concurrently with the issuance of the corresponding original notice to VCHA.

The provisions of Section 21.5 of the Project Agreement apply to notices to the Guarantor hereunder, and the Guarantor's address for notices is:

Ministry of Health Services
c/o 1515 Blanshard Street
Victoria, BC V8W 3C8
Attention: Executive Director,
Finance and Decision Support

Fax No.: 250 952 1573

This guarantee is hereby provided absolutely, unconditionally and irrevocably by the Guarantor to Project Co on the following terms:

1. The Guarantor acknowledges receipt of copies of the Agreements and represents and confirms that the Guarantor is fully familiar with their terms.
2. The Guarantor waives the right to require Project Co to proceed against or exhaust its recourse against VCHA or any other person liable on or in respect of the Guaranteed Obligations, to proceed against or exhaust any security held from VCHA or any other person in respect of the Guaranteed Obligations or to pursue any other remedy in Project Co's power whatsoever.
3. Project Co may, at its election, exercise or decline to exercise any right or remedy it may have against VCHA or any other person liable on or in respect of the Guaranteed Obligations, or any security held from VCHA or any other person in

respect of the Guaranteed Obligations, without affecting or impairing the liability of the Guarantor, and the Guarantor hereby waives any defence arising out of the absence, impairment or loss of any such security or right of reimbursement, contribution or subrogation.

4. Project Co will have the right, in its discretion, to proceed directly against the Guarantor for any and all remedies provided by law, equity or in the Agreements whether by legal proceedings or otherwise, to have the Guarantor fulfil the Guaranteed Obligations.
5. Until the Guaranteed Obligations have been fully and completely performed, and subject to fulfilment of the requirements of this guarantee, the Guarantor will not be released or discharged from its obligations hereunder by any matter or thing whatsoever that would otherwise release or discharge a guarantor. Without limiting the generality of the foregoing, the Guarantor expressly agrees that none of the following circumstances or actions, whether taken by or occurring in respect of VCHA, Project Co, the Guarantor or any other person or entity, will in any way release, affect or impair the obligations and liabilities of the Guarantor hereunder:
 - (a) voluntary or involuntary liquidation, dissolution, consolidation or merger (or the sale or other disposition of all or part of a party or its assets);
 - (b) bankruptcy, receivership, insolvency, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of debt, or other similar proceeding affecting a party or any of its assets;
 - (c) the invalidity or unenforceability of the Agreements or any security, bond, third party guarantees, or other assurances intended to be granted or provided by VCHA or any other party to Project Co or any other party under the Agreements;
 - (d) the failure of Project Co or any other party to take, protect or preserve any rights, security or similar assurance in relation to the Agreements, from VCHA or any other party, or the loss, diminution or unenforceability or impossibility to realize or abstention from realization of any such right, security or similar assurance, whether or not caused or resulting from any act or omission of Project Co or any person acting for Project Co;
 - (e) any other occurrence or circumstance whatsoever, whether similar or dissimilar to the foregoing, any other circumstance that might otherwise constitute any legal or equitable defence or discharge of the obligations and/or liabilities of VCHA or the Guarantor or that might otherwise limit recourse against the Guarantor; and
 - (f) if, with or without the Guarantor's knowledge or consent, any one or more of the following occur:
 - (1) any modifications of any of the Agreements, made by agreement of VCHA and Project Co;

- (2) any waivers by Project Co or VCHA of any terms, provisions, conditions or obligations under any of the Agreements;
 - (3) any assignment or the making of any assignment of any of the Agreements as may be permitted under such Agreements;
 - (4) any failure by Project Co to enforce any provision of any of the Agreements against VCHA; or
 - (5) any other granting of extensions or time, renewals, indulgences, waivers, releases or discharges, or the making of any compromises or transactions or arrangements, regarding any of the Agreements.
6. Neither the Guarantor's obligations under this guarantee nor any right or remedy for the enforcement thereof will be impaired, stayed, modified, changed or released in any manner whatsoever by any order, stay, modification, release or limitation in regard to VCHA or the Guarantor resulting from the operation or effect of any provision of the Bankruptcy and Insolvency Act (Canada), the Companies' Creditors Arrangement Act (Canada), the Winding-Up Act (Canada) or other statute, code or laws of any jurisdiction relating to debtor relief or relating to the release of the obligations of the Guarantor hereunder, or from the decision of any court or authority interpreting any of the same, and the Guarantor will be obligated under this guarantee as if no such order, stay, modification, release or limitation had occurred.

Dated the day and year set out at the top of page 1 hereof.

EXECUTED AND DELIVERED for the sole purpose of the aforesaid Payment Guarantee by **Her Majesty the Queen in Right of the Province of British Columbia, represented by the Minister of Finance**, acting by

Honourable Gary Collins,
Minister of Finance