

MASTER U.S. GUARANTY

A Commissioner for Oaths / Notary Public
in and for the Province of Manitoba

THIS MASTER U.S. GUARANTY (this "Guaranty") is made as of December 9, 2004 by the undersigned guarantors (hereinafter each individually as a "Guarantor" and collectively called "Guarantors") with respect to the indebtedness, liabilities, and obligations of the Borrowers (as defined below) under the Benefited Creditor Documents (as defined herein), as follows:

RECITALS:

A. WHEREAS each of the Guarantors is a party to that certain Amended and Restated Loan Agreement dated as of December 9, 2004, among, *inter alia*, Arctic Glacier Inc. and Arctic Glacier International Inc. ("Arctic International"), as Borrowers (each, a "Borrower" and collectively, the "Borrowers"), Arctic Glacier Income Fund, 30844535 Nova Scotia Company, 101049005 Saskatchewan Ltd., Guarantors, The Toronto-Dominion Bank ("TD"), RoyNat Inc., and such other lenders as may from time to time become parties thereto as Canadian Lenders (the "Canadian Lenders"), and Toronto Dominion (Texas) LLC, RoyNat Business Capital Inc. and such other lenders as may from time to time become parties thereto as U.S. Lenders (the "U.S. Lenders") (the Canadian Lenders and the U.S. Lenders are hereinafter collectively referred to as the "Lenders"), The Toronto-Dominion Bank, as Canadian Agent ("Canadian Agent"), and Toronto Dominion (Texas) LLC, as U.S. Agent ("U.S. Agent," with Canadian Agent and U.S. Agent in their capacities as administrative agents for the Lenders hereinafter each individually and collectively being referred to as "Loan Facility Agent") (as amended, modified, extended, supplemented, replaced or restated from time to time, the "Loan Facility Agreement").

B. AND WHEREAS pursuant to and subject to the terms of the Loan Facility Agreement, the Lenders have agreed to make revolving loans under the Loan Facility Agreement (hereinafter, collectively referred to as the "Loan Facility Loan"), and make other credit facilities and accommodations to the Borrowers from time to time, including without limitation in connection with letters of credit, letters of guarantee, interest rate and currency hedging and similar transactions in the Loan Facility Agreement (collectively, "Other Accommodations"). The Loan Facility Agreement and all other documents now or hereafter executed by Borrowers in connection with and relating to the Loan Facility Agreement are collectively called the "Loan Facility Loan Documents".

C. AND WHEREAS certain purchasers (together with any assignees thereof from time to time, the "Holders") have purchased or will purchase U.S. \$45,000,000.00 aggregate principal amount Tranch A Senior Secured Notes due January 1, 2010, and U.S. \$15,000,000.00 aggregate principal amount Tranch B Senior Secured Notes (collectively, the "Senior Notes") co-issued by the Borrowers from time to time pursuant to the terms of that certain Note Purchase Agreement dated as of December 9, 2004, among Arctic International, Arctic Glacier Inc., the current Holders and John Hancock Life Insurance Company as the Administrative Agent for the Holders (hereinafter "Noteholder Agent"), as the same may be amended, modified, supplemented or replaced from time to time (the "Note Purchase Agreement"). The Note Purchase Agreement and all other documents now or hereafter executed by Borrowers in connection with and relating to the Note Purchase Agreement are collectively called the "Note Documents". The Loan Facility Agreement, the Note Purchase Agreement, the Loan Facility

Loan Documents, the Note Documents and any future agreements, documents, instruments and any other ancillary documentation in effect from time to time between any Borrower or Guarantor in favor of any Benefited Creditors (as defined in the Intercreditor Agreement referred to in Recital D following), the Loan Facility Agent, or the Noteholder Agent relating to the establishment of credit in favor of such Borrower and/or Guarantor are collectively called the "Benefited Creditor Documents".

D. AND WHEREAS the Loan Facility Agent, Noteholder Agent, TD, and any other Benefited Creditors which from time to time become parties thereto are parties to that certain Intercreditor Agreement dated as of December 9, 2004 (the "Intercreditor Agreement") that allocates the rights and obligations between the parties thereto as they relate to the Benefited Creditor Documents, and TD, acting as the "Master Collateral Agent" (as defined in such Intercreditor Agreement).

E. AND WHEREAS the Master Collateral Agent is appointed to act for and on behalf of the Benefited Creditors, the Loan Facility Agent and the Noteholder Agent subject to the terms of the Intercreditor Agreement.

F. AND WHEREAS as a condition to the establishment of credit in favor of Borrowers under each of the Benefited Creditor Documents, the Benefited Creditors and Master Collateral Agent require that Borrowers obtain the execution of this Guaranty by Guarantors, and Benefited Creditors and Master Collateral Agent will be relying on the terms hereof in entering into each of the Benefited Creditor Documents and Intercreditor Agreement.

G. AND WHEREAS the establishment of credit by the Benefited Creditors in favor of Borrowers is of value to Guarantors, is reasonably expected to benefit each of Guarantors, directly or indirectly, and is in furtherance of the business interest of Guarantors.

H. AND WHEREAS all terms defined in the Intercreditor Agreement, whenever used herein, unless otherwise defined herein, shall have the same meanings in this Guaranty as are set forth in the Intercreditor Agreement, as the case may be, and each of such definitions is incorporated herein by reference. Guarantors expressly acknowledge that they have read and are familiar with all such incorporated definitions and agree that they shall have the same effect and enforceability in this Guaranty as though set forth at length.

In consideration of Benefited Creditors entering into the Benefited Creditor Documents and Intercreditor Agreement, and as an inducement to Benefited Creditors to do so, and Master Collateral Agent to act on Benefited Creditors' behalf, Guarantors hereby agree, warrant and covenant as follows:

AGREEMENTS:

1. Guarantors hereby unconditionally, irrevocably and absolutely guarantee without demand by Master Collateral Agent or Benefited Creditors the full and prompt payment when due, whether by acceleration or otherwise, of the entire amount of indebtedness, obligations and liabilities of Borrowers to Master Collateral Agent and Benefited Creditors under the Benefited Creditor Documents and Intercreditor Agreement, including without limitation the "Obligations" as defined under the Intercreditor Agreement, howsoever created, arising or

evidenced, whether direct or indirect, absolute or contingent, or now or hereafter existing, or due or to become due, including, without limitation, all costs of collection, reasonable attorneys' fees, court costs, and other advances and extensions thereunder whether such indebtedness, obligations or liabilities have been incurred prior to the date hereof or are incurred from time to time hereafter and all without set-off, counterclaim, recoupment, or deduction of any amounts owing or alleged to be owing by Master Collateral Agent or Benefited Creditors, or any other agent on behalf of the Benefited Creditors, to Borrowers. It is expressly understood that this Guaranty covers, without limitation, (y) any and all amendments, extensions, modifications, rearrangements and renewals of the Intercreditor Agreement and Benefited Creditor Documents; and (z) all interest, default interest and other amounts that would have accrued under the Benefited Creditor Documents but for the commencement of a case under the Federal Bankruptcy Code or any other similar federal or state law. Without limiting the foregoing, Guarantors specifically guarantee payment of any judgment entered against Borrowers and any damages that may be awarded in any action brought against Borrowers by Master Collateral Agent or Benefited Creditors, arising out of or relating to any of the Benefited Creditor Documents and/or the Intercreditor Agreement. All of the indebtedness, obligations and liabilities described in this paragraph are referred to herein as the "Guaranteed Obligations." The Guaranteed Obligations shall specifically include any and all post-petition interest and expenses (including reasonable attorneys' fees) whether or not allowed under any bankruptcy, insolvency, or other similar law; provided that the Guaranteed Obligations shall be limited, with respect to Guarantors, to an aggregate amount equal to the largest amount that would not render Guarantors' obligations hereunder subject to avoidance under the Bankruptcy and Insolvency Act [Canada], Section 544 or 548 of the United States Bankruptcy Code or under any applicable state law relating to fraudulent transfers or conveyances. This Guaranty is a guaranty of payment and not merely of collection. Any and all payments made under this Guaranty by Guarantors shall be made to Master Collateral Agent at its offices designated under the Intercreditor Agreement, or such other party as Master Collateral Agent may direct.

2. This Guaranty shall take effect when received by Master Collateral Agent without the necessity of any acceptance by Master Collateral Agent or Benefited Creditors or of any notice to Guarantors or to Borrowers, shall be continuing and irrevocable, and shall remain in full force and effect until the Guaranteed Obligations are fully and finally paid. If payment is made by Borrowers, whether voluntarily or otherwise, or by any third party, on the Guaranteed Obligations and thereafter Master Collateral Agent or Benefited Creditors are forced to remit, rescind or restore the amount of that payment under any federal or state bankruptcy law or law for the relief of debtors, or for any other reason, (a) the amount of such payment shall be considered to have been unpaid at all times for the purposes of enforcement of this Guaranty, (b) the obligations of Borrowers guaranteed herein shall be automatically reinstated to the extent of such payment, and (c) Guarantors will, on demand, indemnify and hold Master Collateral Agent and Benefited Creditors harmless from all losses and all reasonable costs and expenses, including legal fees, incurred by Master Collateral Agent or Benefited Creditors in connection with such remission, rescission or restoration. In the event this Guaranty is preceded or followed by any other agreement of suretyship or guaranty by Guarantors or others, all shall be deemed to be cumulative, and the obligations of Guarantors hereunder shall be in addition to those stated in any other suretyship or guaranty agreement.

3. The obligations of Guarantors hereunder are separate and independent of the obligations of Borrowers. Guarantors expressly agree that a separate action may be brought against Guarantors whether or not Borrowers are joined in such action.

4. Each Guarantor represents, warrants, and covenants to Master Collateral Agent and Benefited Creditors that (a) the financial statements of such Guarantor heretofore delivered to Master Collateral Agent are true and correct in all material respects and fairly present the financial condition of such Guarantor as of the respective dates thereof, and no material adverse change has occurred in the financial condition of such Guarantor since the date of the most recent of such financial statements of such Guarantor; (b) the making of this Guaranty reasonably is expected to benefit, directly or indirectly, such Guarantor; (c) no representations or agreements of any kind have been made to such Guarantor which would limit or qualify in any way the terms of this Guaranty; (d) neither Master Collateral Agent nor Benefited Creditors have made any representation to such Guarantor as to the creditworthiness of Borrowers; and (e) neither Master Collateral Agent nor Benefited Creditors shall have any obligation to disclose to Guarantors any information or documents (financial or otherwise) heretofore or hereafter acquired by Master Collateral Agent or Benefited Creditors in the course of their relationship with Borrowers.

5. Guarantors hereby consent to all terms and conditions of agreements heretofore or hereafter made between Master Collateral Agent or Benefited Creditors and Borrowers (including without limitation the Benefited Creditor Documents) and further agree that Master Collateral Agent and/or Benefited Creditors may without further consent or disclosure and without affecting or releasing the obligations of Guarantors hereunder: (a) surrender, exchange, release, assign, or sell any collateral or waive, release, assign, sell, or subordinate any security interest, in whole or in part; (b) waive, delay the exercise of, release, compromise, or grant indulgences in respect of any rights or remedies of Master Collateral Agent or Benefited Creditors against Borrowers or any surety or guarantor (including, without limitation, rights or remedies of Master Collateral Agent or Benefited Creditors against Guarantors under this Guaranty, except to the extent of such waiver, release, compromise or indulgence); (c) waive or delay the exercise of any rights or remedies of Master Collateral Agent or Benefited Creditors in respect of any collateral or security interest now or hereafter held; (d) renew, extend, waive, accelerate, or modify the terms of any of the Guaranteed Obligations or the obligations of any surety or guarantor, including, without limitation, changes to the rate of interest, or any instrument or agreement (including, without limitation, the Benefited Creditor Documents, except to the extent of any waiver or modification of this Guaranty) evidencing or relating to the same; (e) realize on any security interest, judicially or nonjudicially, with or without preservation of a deficiency judgment; (f) apply payments received from Borrowers or any surety or guarantor (including Guarantors) or from any collateral, to the Guaranteed Obligations hereunder; or (g) adjust, compromise or receive less than the amount due upon any collateral or the Guaranteed Obligations, and enter into any accord and satisfaction or novation agreement with respect to the same as Master Collateral Agent or Benefited Creditors shall deem reasonably advisable.

6. Guarantors waive notice of (a) Master Collateral Agent's and Benefited Creditors' acceptance of this Guaranty or their intention to act or its actions in reliance hereon; (b) the present existence or future incurring of any Guaranteed Obligations or any terms or amounts thereof or any change therein; (c) any default by the Borrowers or any surety or

guarantor; (d) the obtaining of any guaranty or surety agreement (in addition to this Guaranty); (e) the obtaining of any pledge, assignment or other security for any Guaranteed Obligations; (f) the release of the Borrowers or any surety or guarantor; (g) the release of any collateral; (h) any change in the business or financial condition of Borrowers; (i) any renewal, extension or modification of the terms of any of the Guaranteed Obligations or of the obligations or liabilities of any surety or guarantor or of any instruments or agreements evidencing the same; (j) any acts or omissions of Master Collateral Agent or Benefited Creditors consented to in Section 5 hereof; and (k) any other demands or notices whatsoever with respect to the Guaranteed Obligations or this Guaranty. Guarantors further waive notice of presentment, demand, protest, notice of nonpayment, notice of intent to accelerate, and notice of protest in relation to any instrument or agreement evidencing any of the Guaranteed Obligations.

7. To the extent permitted by applicable laws, Guarantors expressly waive any and all rights to defenses arising by reason of (a) any "one-action" or "anti-deficiency" law or any other law which may prevent Master Collateral Agent or Benefited Creditors from bringing any action, including a claim for deficiency against Guarantors, before or after Master Collateral Agent's or Benefited Creditors' commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale; (b) any election of remedies by Master Collateral Agent or Benefited Creditors which destroys or otherwise adversely affects the subrogation rights of Guarantors or the rights of Guarantors to proceed against Borrowers for reimbursement, including without limitation any loss of rights Guarantors may suffer by reason of any law limiting, qualifying, or discharging the Guaranteed Obligations; (c) any disability or other defense of Borrowers, of Guarantors, or of any other person, or by reason of the cessation of Borrowers' liability from any cause whatsoever, other than full and final payment in legal tender of the Guaranteed Obligations; or (d) any right to claim discharge of the Guaranteed Obligations on the basis of unjustified impairment of any collateral for the Guaranteed Obligations. To the extent permitted by applicable laws, Guarantors further waive (a) the defense of any statute of limitations in any action to enforce this Guaranty and agrees that any part payment by Borrowers or other circumstance which operates to toll any statute of limitations as to Borrowers shall toll the statute of limitations as to Guarantors, (b) any right to cause a marshalling of Borrowers' assets, (c) all exemptions and homestead laws, and (d) all rights of set-off and counterclaims. Guarantors agree that Master Collateral Agent or Benefited Creditors may proceed against any collateral securing the Guaranteed Obligations by way of either judicial or nonjudicial foreclosure. Guarantors understand that a nonjudicial foreclosure (to the extent permitted under applicable laws) of any deed of trust or mortgage securing the Guaranteed Obligations could impair or eliminate any subrogation or reimbursement rights Guarantors may have against Borrowers, nevertheless Guarantors hereby waive and relinquish any defense based upon the loss of any such reimbursement or subrogation rights or any other defense which may otherwise arise therefrom and any defense that may arise out of election of remedies, discharge or satisfaction of the Guaranteed Obligations. In the event any such deed of trust or mortgage is foreclosed judicially or nonjudicially, the liability of Guarantors under this Guaranty shall be that portion of the Guaranteed Obligations representing a deficiency resulting from a judicial or nonjudicial sale, i.e., the difference between the amount due and owing on the Guaranteed Obligations on the day of the foreclosure sale (including without limitation principal, accrued interest, reasonable attorneys' fees, late payments, if any, and costs of foreclosure) and the amount of the successful bid at any such judicial or nonjudicial foreclosure sale. Guarantors hereby waive the right to object to the amount which may be bid by Master Collateral Agent and/or Benefited Creditors at such foreclosure sale.

8. No act of commission or omission of any kind or at any time on the part of Master Collateral Agent or Benefited Creditors with respect to any matter whatsoever shall in any way affect or impair this Guaranty. Without limiting the foregoing, the obligations, covenants, agreements and duties of Guarantors under this Guaranty shall not be released or impaired in any manner whatsoever, without the written consent of Master Collateral Agent, on account of any or all of the following: (a) any act or omission of Master Collateral Agent or Benefited Creditors consented to in Section 5 hereof; (b) the failure to receive any notice, demand, presentment or protest waived in Sections 4 and 6 hereof; (c) the occurrence of any event as to which Guarantors have provided their waiver under Section 7 hereof; (d) any failure by Borrowers or any other guarantor or surety to perform or comply with the Guaranteed Obligations or the terms of any instrument or agreement relating thereto; (e) any change in the name, purpose, capital stock or constitution of Borrowers or any other guarantor or surety; (f) any irregularity, defect or unauthorized action by Master Collateral Agent or Benefited Creditors, Borrowers or any other guarantor or surety or any of their respective officers, directors or other agents in executing and delivering any instrument or agreements relating to the Guaranteed Obligations or in carrying out or attempting to carry out the terms of any such agreements; (g) any receivership, insolvency, bankruptcy, reorganization or similar proceeding by or against Borrowers, Master Collateral Agent, Benefited Creditors, Guarantors or any other surety or guarantor; (h) any setoff, counterclaim, recoupment, deduction, defense or other right which Guarantors may have against Master Collateral Agent, Benefited Creditors, Borrowers or any other person for any reason whatsoever whether related to the Guaranteed Obligations or otherwise; (i) any assignment, endorsement or transfer, in whole or in part, of the Guaranteed Obligations, whether made with or without notice to or the consent of Guarantors; (j) the voluntary or involuntary liquidation, sale or other disposition of all or substantially all of the assets of Borrowers or any guarantor; (k) the acceptance of additional or substitute property as security for or any additional guaranty as surety for any of the Guaranteed Obligations; (l) the operation of law or any other cause, whether similar or dissimilar to the foregoing; (m) the failure by Master Collateral Agent or Benefited Creditors to file or enforce a claim against the estate (either in administration, bankruptcy or other proceeding) of Borrowers or any other person or entity (including, without limitation, any guarantor); (n) if the recovery from Borrowers or any other person or entity (including, without limitation, any other guarantor) becomes barred by any statute of limitations or is otherwise prevented; (o) any impairment, modification, change, release or limitation of liability of, or stay of actions of lien enforcement proceedings against Borrowers, Borrowers' property, or its estate in bankruptcy resulting from the operation of any present or future provision of the Federal Bankruptcy Code or any other similar federal or state statute, or from the decision of any court; or (p) any neglect, delay, omission, failure or refusal of Master Collateral Agent or Benefited Creditors 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 lien or right of security (including perfection thereof) existing or to exist in connection with, or as security for, any of the Guaranteed Obligations, it being the intention hereof that Guarantors shall remain liable as a principal on the Guaranteed Obligations notwithstanding any act, omission or event which might, but for the provisions hereof, otherwise operate as a legal or equitable discharge of Guarantors. Guarantors hereby waive all defenses of a surety to which it may be entitled by statute or otherwise.

9. Guarantors acknowledge that Benefited Creditors intend to obtain other guaranties and collateral to secure the repayment of the Guaranteed Obligations. Each Guarantor

represents and warrants to Master Collateral Agent and Benefited Creditors, however, that in making this Guaranty it is not relying upon the Benefited Creditors' or Master Collateral Agent's obtaining any guaranty agreements from any guarantors other than such Guarantor or any collateral pledged or assigned to secure repayment of the Guaranteed Obligations. Each Guarantor specifically acknowledges that Benefited Creditors' or Master Collateral Agent's obtaining any such guaranty agreements or collateral is not a condition to the enforcement of this Guaranty. If Benefited Creditors or Master Collateral Agent should simultaneously or hereafter elect to attempt to take additional guaranty agreements or collateral to secure repayment of the Guaranteed Obligations and if its efforts to do so should fail in any respect including, without limitation, a determination that the agreement purporting to provide such additional guaranty or security interest is invalid or unenforceable for any reason, this Guaranty shall, nonetheless, remain in full force and effect.

10. Until the Guaranteed Obligations have been paid in full, Guarantors hereby irrevocably waive all claims it has or may acquire against Borrowers in respect of the Guaranteed Obligations, including rights of exoneration, reimbursement and subrogation. Guarantors have received no indemnification or other agreement of reimbursement from Borrowers in connection with the execution and delivery of this Guaranty.

11. This Guaranty shall inure to the benefit of Master Collateral Agent, Benefited Creditors and each of their successors and assigns, and shall be binding upon each of Guarantors and their respective heirs, personal or legal representatives, administrators, executors, successors and assigns. Master Collateral Agent or Benefited Creditors may, subject to the terms of the Benefited Creditor Documents, without any notice whatsoever to Guarantors, or to anyone else, sell, assign or transfer the Benefited Creditor Documents, in whole or in part, with or without any security therefore, and in that event each and every immediate and successive assignee, transferee or holder of all or any part of the Benefited Creditor Documents shall have the right to enforce this Guaranty, by suit or otherwise, for the benefit of such assignee, transferee or holder as though such parties were herein by name specifically given those rights, powers and benefits.

12. Guarantors agree to pay all reasonable costs and expenses which may be incurred by Master Collateral Agent and/or Benefited Creditors in the enforcement or interpretation of this Guaranty, including reasonable attorneys' fees (to be determined by the court and not by a jury), and including all reasonable costs and reasonable attorneys' fees incurred in any bankruptcy or insolvency proceeding or on appeal to one or more appellate courts.

13. IN ALL RESPECTS, INCLUDING, WITHOUT LIMITATION, MATTERS OF CONSTRUCTION AND PERFORMANCE OF THIS GUARANTY AND THE OBLIGATIONS ARISING HEREUNDER, THIS GUARANTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD FOR CHOICE OF LAWS PRINCIPLES OTHER THAN §5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

14. No delay on the part of Master Collateral Agent or Benefited Creditors in exercising any right, power or privilege under this Guaranty shall operate as a waiver of any such right, power or privilege, nor shall any exercise or waiver of any privilege or right preclude any

other or further exercise of such privilege or right or the exercise of any other right, power or privilege. All of Master Collateral Agent's and Benefited Creditors' rights and remedies shall be cumulative. In the event Master Collateral Agent or Benefited Creditors in their sole discretion elect to give notice of any action with respect to the sale of collateral, if any, securing the Guaranteed Obligations or any part thereof, Guarantors agree that ten (10) days prior written notice shall be deemed reasonable notice of any matters contained in such notice.

15. Any indebtedness of Borrowers now or hereafter held by Guarantors are hereby subordinated to the Guaranteed Obligations. If Master Collateral Agent or Benefited Creditors so request, after an Event of Default has occurred and is continuing such indebtedness of Borrowers to Guarantors shall be collected, enforced and received by Guarantors in trust for Master Collateral Agent and Benefited Creditors, and be paid over to Master Collateral Agent on account of the Guaranteed Obligations, but without reducing or affecting in any manner the liability of Guarantors under the other provisions of this Guaranty. Guarantors shall file all claims against Borrowers in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of Borrowers to Guarantors and will assign to Master Collateral Agent, for the benefit of the Benefited Creditors, all rights of Guarantors thereunder. If Guarantors do not file any such claim, Guarantors hereby appoint and constitute Master Collateral Agent as the attorney-in-fact of Guarantors and hereby authorize Master Collateral Agent to do so in the name of Guarantors or, in Master Collateral Agent's discretion, to assign the claim and to cause the claim to be filed in the name of Master Collateral Agent's nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to Master Collateral Agent the full amount thereof, and Guarantors hereby assign to Master Collateral Agent, for the benefit of the Benefited Creditors, to the full extent necessary for that purpose, all of the rights of Guarantors to any such payments or distributions to which Guarantors would otherwise be entitled. Nothing in this paragraph shall be construed to create a duty in Master Collateral Agent or Benefited Creditors to take any action whatsoever to protect any right Guarantors may have as to Borrowers.

16. If any provision of this Guaranty or any portion of any provision of this Guaranty shall be deemed to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not alter the remaining portion of such provision, or any other provision hereof, as each provision of this Guaranty shall be deemed severable from all other provisions hereof.

17. This Guaranty shall be so construed that, wherever applicable, the use of the singular number shall include the plural number, the use of the plural number shall include the singular number, and the use of any gender shall be applicable to all genders, and shall likewise be so construed as applicable to and including a corporation, partnership, or other entity. The obligations of each Guarantor hereunder shall be joint and several, and this Guaranty shall apply to each of the individuals or entities comprising Guarantors as if each had executed a separate guaranty. Each of the Guarantors agree that Master Collateral Agent, for the benefit of the Benefited Creditors, in its discretion, may (a) bring suit against all Guarantors jointly and severally or against any one or more of them, (b) compromise or settle with any one or more of Guarantors for such consideration as Master Collateral Agent may deem proper, and (c) release any one or more of Guarantors from liability under this Guaranty, and that no such action shall impair the rights of Master Collateral Agent or the Benefited Creditors to collect the Guaranteed

Obligations (or the unpaid balance thereof) from the other Guarantors not so sued, settled with or released.

18. All agreements between Guarantors and Master Collateral Agent and/or Benefited Creditors, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency, whether by reason of demand or acceleration of the final maturity of any of the Obligations or otherwise, shall the interest contracted for, charged, received, paid or agreed to be paid to Master Collateral Agent and Benefited Creditors under or in connection with such applicable Obligations exceed the maximum amount permissible under applicable law. All interest paid or agreed to be paid to Master Collateral Agent and Benefited Creditors shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period (including any renewal or extension) until payment in full of the principal balance of the applicable Obligations so that the interest hereon for such full period shall not exceed the maximum amount permissible under applicable law. Master Collateral Agent and Benefited Creditors expressly disavow any intent to contract for, charge or receive interest in an amount which exceeds the maximum amount permissible under applicable law. This paragraph shall control all agreements between Guarantors and Master Collateral Agent or Benefited Creditors.

19. For the convenience of the parties hereto, this Guaranty has been prepared for execution by multiple parties, each of which is a Guarantor for all purposes of this Guaranty. Each of the parties signing this Guaranty hereby represents, warrants and covenants for the benefit of Master Collateral Agent and Benefited Creditors that it is the intention of such party that this Guaranty be fully enforceable against it in accordance with its terms to the same extent as if such party had been the only party identified as a "Guarantor" under this Guaranty and had executed a separate Guaranty (in the form of this Guaranty) in favor of Master Collateral Agent and Benefited Creditors. Each of the parties signing this Guaranty expressly confirms that, in making this Guaranty, it is not relying upon Master Collateral Agent and/or Benefited Creditors obtaining signatures from any of the other parties identified as a "Guarantor" in this Guaranty. Each party signing this Guaranty expressly agrees that the failure by one or more of the other parties identified as "Guarantors" herein to sign this Guaranty shall not prevent the full enforcement of this Guaranty against each party who has signed the Guaranty.

20. Additional persons or entities may from time to time after the date of this Guaranty become Guarantors under this Guaranty by executing and delivering to the Master Collateral Agent a joinder (a "Joinder") to this Guaranty in substantially the form attached as Schedule A hereto. Effective from and after the date of the execution and delivery by any person or entity to the Master Collateral Agent of a Joinder, such person or entity shall be, and shall be deemed for all purposes to be, a "Guarantor" under this Guaranty with the same force and effect, and subject to the same agreements, representations, guarantees, indemnities, liabilities and obligations, as if such person or entity were, effective as of such date, an original signatory to this Guaranty as one of the Guarantors. The execution and delivery of a Joinder by any person or entity shall not require the consent of any of the other Guarantors and all of the other Guarantors' obligations under this Guaranty shall remain in full force and effect notwithstanding the addition of any additional "Guarantor" to this Guaranty.

21. NO ORAL AGREEMENTS. THIS GUARANTY REPRESENTS THE FINAL AGREEMENT BETWEEN GUARANTORS AND MASTER COLLATERAL AGENT

AND BENEFITED CREDITORS RELATING TO THE SUBJECT MATTER OF THIS GUARANTY AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF SUCH PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN OR AMONG GUARANTORS AND MASTER COLLATERAL AGENT OR ANY OF THE BENEFITED CREDITORS. THIS GUARANTY SUPERSEDES ALL PRIOR (IF ANY) ORAL AGREEMENTS, ORAL ARRANGEMENTS OR ORAL UNDERSTANDINGS RELATING TO THE SUBJECT MATTER OF THIS GUARANTY. Except as contemplated by the execution and delivery of a Joinder (which only needs to be signed by the party thereto), the provisions of this Guaranty may be amended or waived only by an instrument in writing signed by the parties hereto and the appropriate party or parties required by the Intercreditor Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Guarantors have executed this Guaranty as of the date written above.

GUARANTORS:

PLAINVIEW ICE & COLD STORAGE, INC.,
a Texas corporation

By: _____
Print: _____
Its: _____

**HOST ICE & BEVERAGE EQUIPMENT
CO., INC.,**
a Texas corporation

By: _____
Print: _____
Its: _____

ARCTIC IOWA INC.,
an Iowa corporation

By: _____
Print: _____
Its: _____

ARCTIC NEBRASKA INC.,
a Nebraska corporation

By: _____
Print: _____
Its: _____

KAMA, INC.,
a Nebraska corporation

By: _____
Print: _____
Its: _____

ICEBERG ACQUISITION, INC.,
a Minnesota corporation

By: _____
Print: _____
Its: _____

NORTH STAR ICE, INC.,
a Minnesota corporation

By: _____
Print: _____
Its: _____

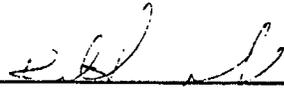
ARCTIC NORTH DAKOTA INC.,
a North Dakota corporation

By: _____
Print: _____
Its: _____

ARCTIC GLACIER NEW YORK INC.,
a New York corporation

By: _____
Print: _____
Its: _____

SPRINGDALE ICE COMPANY,
a Connecticut corporation

By: 
Print: _____
Its: _____

DIAMOND ICE CUBE COMPANY INC.,
a New York corporation

By: 
Print: _____
Its: _____

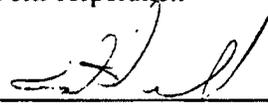
ICE PERFECTION SYSTEMS INC.,
a Delaware corporation

By: 
Print: _____
Its: _____

ARCTIC GLACIER NEWBURGH INC.,
a New York corporation

By: 
Print: _____
Its: _____

ARCTIC GLACIER IP INC.,
a New York corporation

By: 
Print: _____
Its: _____

SCHEDULE A
JOINDER TO MASTER U.S. GUARANTY

This Joinder is made as of _____ in connection with the Master U.S. Guaranty made as of _____, 2004, by the Guarantors to The Toronto-Dominion Bank, as Master Collateral Agent (the "Guaranty"). The provisions of the Guaranty shall apply, *mutatis mutandis*, to this Joinder. Capitalized terms used but not otherwise defined in this Joinder have the meanings set out in the Guaranty.

For valuable consideration, each of the undersigned (each a "New U.S. Guarantor") acknowledges and agrees with the Master Collateral Agent and the Benefited Creditors, as follows:

1. that it has received and reviewed a copy of the Guaranty, the Intercreditor Agreement and the Benefited Creditor Documents in existence on the date of this Joinder, and confirms that it is executing and delivering this Joinder in favor of the Master Collateral Agent and the Benefited Creditors pursuant to Section 20 of the Guaranty; and
2. effective from and after the date this Joinder is executed and delivered to the Master Collateral Agent each of the undersigned are, and shall be deemed for all purposes to be, a Guarantor and one of the Guarantors under the Guaranty with the same force and effect, and subject to the same agreements, representations, guarantees, indemnities, liabilities and obligations, as if each of the undersigned were and original signatory to the Guaranty as a Guarantor.

IN WITNESS OF WHICH this Joinder has been duly executed and delivered by each New U.S. Guarantor as of the date indicated above.

[INSERT NAME OF NEW U.S. GUARANTOR]

By: _____
Print: _____
Its: _____