

This form can be completed electronically, saved, and printed. A signature must be added.
If completing manually, please complete in black ink and BLOCK CAPITALS. Complete all boxes that apply.

Dated:

- (1) **GUARANTOR:**
- (2) **THE CHORLEY AND DISTRICT BUILDING SOCIETY**

IMPORTANT NOTICE

This is an important document. Before you sign it, you should:

- get advice from a solicitor or other independent legal adviser; and
- make sure you understand what it means and what its effects will be.

If you do sign this document, you may have to pay some of the debts of the Borrower if it does not do so (and you will have other obligations as well).

This Deed is made on by:

- (1) **GUARANTOR:** of:
 ADDRESS: , (the "Guarantor");
in favour of:
- (2) The Chorley and District Building Society of Key House, Foxhole Road, Chorley, PR7 1NZ (the "**Society**").

1. Definitions and Interpretation

1.1 Definitions

In this Deed:

"Borrower" means ,
a company incorporated in [England and Wales] with company number .

"Business Days" means a day (other than a Saturday or Sunday) on which banks are open for general business in London.

"Debts" means all amounts which may be due, owing or payable by the Borrower to us now or at any time in the future.

1.2 Interpretation

1.2.1 A reference in this Deed to:

1.2.1.1 the "**Society**", the "**Guarantor**", any "**party**" or any other person shall be construed so as to include its successors in title, assignees and transferees;

1.2.1.2 any agreement or document is a reference to that agreement or document as amended, varied, novated, supplemented, extended or restated from time to time; and

1.2.1.3 a provision of law is a reference to that provision as amended or re-enacted.

1.2.2 Clause headings are for ease of reference only.

1.2.3 A person who is not a party to this Guarantee has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce the benefit of any term of this Guarantee.

1.2.4 Each party to the Guarantee intends it to be a deed and confirms that it is executed and delivered as a deed in each case notwithstanding that any party may only execute it under hand.

1.2.5 Where this Guarantee is executed by or on behalf of two or more Guarantors, each Guarantor's obligations shall take effect as joint and several obligations.

2. Guarantee and Indemnity

2.1 In consideration of the Society making available (or continuing to make available) mortgage facilities to the Borrower, the Guarantor irrevocably and unconditionally:

2.1.1 guarantees to the Society the payment by the Borrower of the Debts in full and on time;

2.1.2 undertakes with the Society that if the Borrower does not pay any amount when due, the Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and



- 2.1.3 agrees to pay the Society the full amount of all expenses, losses and liabilities incurred by the Society as a result of:
- 2.1.3.1 the Borrower's failure to pay any Debts in full and on time; or
 - 2.1.3.2 any obligation owed (or purported to be owed) by the Borrower to the Society being void, voidable or unenforceable.
- 2.1.4 as a separate and independent stipulation undertaken as a primary obligor and not merely as guarantor, the Guarantor agrees to indemnify the Society on demand from and against any loss it may incur as a result of or in connection with its having now or in the future advanced any monies to the Borrower or having now or in the future incurred any obligation on behalf of or at the request of the Borrower.

2.2 Continuing guarantee

The obligations of the Guarantor under this Clause 2 are continuing and will extend to the ultimate balance of sums payable by the Borrower, regardless of any intermediate payment or discharge in whole or in part.

2.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Borrower or any security for those obligations or otherwise) is made by the Society in whole or in part on the basis of any payment, security or other disposition; which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Guarantor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

2.4 Waiver of defences

The obligations of the Guarantor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 2.4, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or the Society) including:

- 2.4.1 any time, waiver or consent granted to, or composition with, the Borrower or other person;
- 2.4.2 the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of the Borrower;
- 2.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 2.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other person;
- 2.4.5 the making, amendment or termination of any agreement or arrangement relating to any of the Debts;
- 2.4.6 any amendment of the terms on which any security or other rights are granted, any step being taken in connection with any security or other rights (to enforce them, to release them or to do anything else) or any omission to take any step in connection with any security or other rights which could or should have been taken;
- 2.4.7 any person's change of name or any change in the constitution, membership, ownership, legal form or status of any person;
- 2.4.8 the death or any physical or mental incapacity of the Guarantor;
- 2.4.9 any unenforceability, illegality or invalidity of any obligation of any person; or
- 2.4.10 any insolvency or similar proceedings.

2.5 Immediate recourse

The Guarantor waives any right they may have of first requiring the Society (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantor under this Deed. This waiver applies irrespective of any law or any provision of any document to the contrary.

2.6 Appropriations

Until all amounts which may be or become payable by the Borrower have been irrevocably paid in full, the Society (or any trustee or agent on its behalf) may:

- 2.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by it (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor is not entitled to the benefit of the same; and
- 2.6.2 hold in an interest-bearing suspense account any moneys received from the Guarantor or on account of the Guarantor's liability under this Deed.

2.7 Deferral of Guarantor's rights

Until all amounts which may be or become payable by the Borrower have been irrevocably paid in full and unless the Society otherwise directs, the Guarantor will not exercise any rights which it may have by reason of any amount being payable, or liability arising, under this Deed:

- 2.7.1 to be indemnified by the Borrower;
- 2.7.2 to claim any contribution from any other guarantor of the Borrower's obligations;
- 2.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Society under any other guarantee or security taken by the Society in connection with, the Debts;
- 2.7.4 to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under this Deed;
- 2.7.5 to exercise any right of set-off against the Borrower; and/or
- 2.7.6 to claim or prove as a creditor of the Borrower in competition with the Society.

If the Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution (to the extent necessary to enable all amounts which may be or become payable to the Society by the Borrower to be repaid in full) on trust for the Society and shall promptly pay or transfer the same to the Society or as the Society may direct.

2.8 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Society.



3. Maximum Liability and Release

3.1 The maximum total liability of the Guarantor under this Deed is as follows:

3.1.1 £ ; and

3.1.2 all amounts payable under Clauses 4.2 (*No withholding*), 4.3 (*Default interest*), 4.4.1 (*General*) and 6 (*Society's Expenses*).

3.2 Request for release

3.2.1 If the Guarantor wishes to be released from its obligations under this Deed, it must serve notice on the Society stating the date on which the release will take effect. If no date is specified or the specified date is less than one month after the date on which the Society received the notice, the date of release will be one month after the date on which notice was received by the Society.

3.2.2 From the date stated (or assumed to be stated) in the notice: the Guarantor's obligations under this Deed will continue only in respect of:

(a) all Debts outstanding on that date;

(b) all Debts arising subsequently in connection with any transaction or arrangement in existence on that date; and

(c) all Debts arising subsequently in connection with any transaction or arrangement entered into after that date pursuant to a commitment made by us before that date; but

the Guarantor will have no further liability under this Deed.

3.2.3 Clause 3.2.2:

3.2.3.1 is subject to Clause 2.3 (*Reinstatement*); and

3.2.3.2 will not mean that the Society waives any right or any remedy in respect of any past breach of this Deed.

4. Payments and Accounts

4.1 Set-off and other remedies

4.1.1 All payments to be made by the Guarantor under this Deed will be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

4.1.2 The Society may set off any matured obligation due from the Guarantor against any matured obligation owed by the Society to the Guarantor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Society may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

4.1.3 The Society may, at any time, combine or consolidate any accounts held by it for the Guarantor.

4.1.4 If, at any time:

4.1.4.1 the Society makes a demand under Clause 2 (Guarantee and Indemnity); or

4.1.4.2 the Guarantor's obligations cease to be continuing obligations for any reason;

then the Society may open in its books a new account for the Borrower. Whether or not the Society opens such a new account, all payments made to the Society by the relevant Borrower (or on its behalf or for its account) after the relevant time will be treated as having been credited to such a new account and will not reduce or otherwise affect the Guarantor's obligations under this Deed.

4.2 No withholding

4.2.1 The Guarantor shall make all payments to be made by it without any deduction or withholding for or on account of Tax from a payment under this Deed (a "**Tax Deduction**") unless a Tax Deduction is required by law.

4.2.2 The Guarantor shall, promptly upon becoming aware that they must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction), notify the Society accordingly.

4.2.3 If a Tax Deduction is required by law to be made by the Guarantor, the amount of the payment due from the Guarantor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

4.3 Default interest

If the Guarantor fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is two per cent higher than the base rate at that time of any UK clearing bank selected for this purpose by the Society. Any interest accruing under this Clause shall be immediately payable by the Guarantor on demand by the Society. Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each month but will remain immediately due and payable.

4.4 General

4.4.1 All payments by the Guarantor under this Deed shall be made in sterling.

4.4.2 Any payment by the Guarantor under this Deed must be made in accordance with the Society's instructions (including as to time, method and place of payment).

4.4.3 Any certificate, determination or calculation by the Society of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

4.4.4 The Society may make any number of demands under this Deed.

4.4.5 If the Guarantor fails to make payment in respect of any demand under this Deed on the due date, the Society reserves the right to record and report that failure as arrears and if any amount remains unpaid as a default against the Guarantor's name with credit reference agencies and in accordance with the normal reporting principles for individual debts. Any arrears or default recorded with credit reference agencies may seriously affect the Guarantor's ability to obtain credit in the future.

5. Society's Rights, Remedies and Discretions

5.1 The rights of the Society under this Deed are independent of any other right which the Society has at any time in respect of the Finance Documents.

5.2 The Society may decide whether and how to exercise its rights under this Deed and how to apply any payments received under this Deed. The Guarantor has no right to control or restrict the Society's exercise of this discretion.



- 5.3 No provision of this Deed will:
- 5.3.1 interfere with the right of the Society to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
 - 5.3.2 oblige the Society to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
 - 5.3.3 oblige the Society to disclose any information relating to its affairs (tax or otherwise).
- 5.4 No failure to exercise, nor any delay in exercising, on the part of the Society, any right or remedy under this Deed or any other document shall operate as a waiver of any such right or remedy. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

6. Society's Expenses

The Guarantor will pay to the Society immediately on demand the full amount of all expenses, costs, charges, losses and liabilities it incurs in connection with this Deed and any enforcement of this Deed.

7. Partial Invalidty

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

8. Assignment

8.1 No assignment by Guarantor[s]

The Guarantor may not assign any of its rights or transfer any of its rights or obligations under this Deed.

8.2 Assignment by Society

8.2.1 The Society may at any time assign any of its rights or transfer any of its rights or obligations under this Deed.

8.2.2 The Society may disclose any information about the Guarantor, the Borrower, any Debts and this Deed to any person to whom it proposes to assign (or have assigned) its rights under this Deed or with whom it proposes to enter into (or has entered into) any other dealings in relation to those rights.

9. Notices

9.1 Communications

Any communication to be made under or in connection with this Deed shall be made in English, in writing and, unless otherwise stated, may be made by letter.

9.2 Addresses

The address of each party for any communication or document to be made or delivered under or in connection with this Deed is that identified in this Deed, or any substitute address, as a party may notify to the other by not less than five Business Days' notice.

9.3 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant address or five Business Days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address and if a particular department or officer is specified as part of its address details provided under Clause 9.2.

10. Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

11. Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.

12. Enforcement

12.1 Jurisdiction

The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed) or any non-contractual obligation arising out of or in connection with this Deed (a "Dispute").

12.1.1 The parties to this Deed agree that the courts of England and Wales are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

This Deed is executed as a deed and delivered on the date stated at the beginning of this Deed.

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- get advice from a solicitor or other independent legal adviser; and
- make sure you understand what it means and what its effects will be.

If you do sign this document, you may have to pay some of the debts of the

Borrower:

if it does not do so (and you will have other obligations as well).

EXECUTION

The Guarantor

Executed as a deed by

in the presence of

Witness signature

Witness name

Witness address

The Society

Executed as a deed by

as attorney for

THE CHORLEY AND DISTRICT BUILDING SOCIETY,

in the presence of

Witness signature

Witness name

Witness address