

PARENT COMPANY GUARANTEE

DEED dated and delivered [] 20[]

BETWEEN the Employer and the Guarantor named in the Particulars below

1. PARTICULARS

- 1.1. **Employer** []
Company Number: []
Registered Office: []
- 1.2. **Guarantor** []
Company Number: []
Registered Office: []
- 1.3. **Contractor** []
Company Number: []
Registered Office: []
- 1.4. **Contract** The building contract dated [] made between the Employer and the Contractor relating to the Development
- 1.5. **Development** The Employer's development at []

2. GUARANTEE

- 2.1. In consideration of the Employer (at the request of the Guarantor) entering into the Contract and in further consideration of the payment of ten pounds by the Employer to the Guarantor (receipt of which the Guarantor hereby acknowledges) the Guarantor hereby irrevocably and unconditionally guarantees to the Employer as principal obligor and not merely as surety the full and due performance of all the obligations of the Contractor contained within the Contract.
- 2.2. The Guarantor hereby further indemnifies the Employer against all losses damages costs and expenses (including without limitation legal costs and expenses incurred in enforcing the provisions of the Contract or this Deed) or otherwise which may be incurred by the Employer by reason of any breach on the part of the Contractor (which for the purposes of this Deed will be deemed to include without limitation the occurrence in relation to the Contractor of any of the

events listed in Clause 8.1 of the Contract) in fully and duly performing and observing the terms and conditions on its part contained in the Contract.

- 2.3. The liability of the Guarantor will not be discharged or affected in any way by:
 - 2.3.1. any fact, event or rule of law which, but for this Clause 2.3 might operate to release in whole or in part the Guarantor from its obligations under this Deed including (without limitation) any novation, assignment, termination (whether automatic or otherwise and whether by reason of the Contractor's insolvency or otherwise), amendment, or extension of time of, or variation of or under the Contract, or any act carried out in performance or purported performance of the Contract or any forbearance or forgiveness by the Employer of the Contractor;
 - 2.3.2. any total or partial invalidity, illegality or unenforceability of the Contract;
 - 2.3.3. any legal limitation, disability or incapacity of the Guarantor.
- 2.4. This Deed creates a continuing guarantee and will remain in force until all the obligations of the Contractor under the Contract have been fully satisfied.
- 2.5. The Guarantor hereby waives any right he may have of first requiring the Employer to proceed against or enforce any claims against any of the parties to the Contract or any other person.
- 2.6. The Guarantor will be entitled in any proceedings brought by the Employer under this Deed to take advantage of any defences set-offs estoppels and the like which would be available to the Contractor in any proceedings brought by the Employer under the Contract.
- 2.7. So long as any obligations of the Guarantor under this Deed or any obligations of the Contractor under the Contract remain outstanding and unperformed the Guarantor will not claim any set-off or counterclaim against the Contractor, prove in competition with the Employer or have the benefit of any security which the Employer holds or may hold for any money or liabilities due from or incurred by the Contractor.
- 2.8. The Employer is entitled to assign the benefit of and its rights under this Deed (as a whole only and not in parts) at any time without the Guarantor's consent to any company, bank or institution providing finance in connection with or secured on the Development or a substantial part of it or to anyone who has or acquires the

freehold of or a leasehold interest in the site of the Development or a substantial part of it or anyone to whom the benefit of the Contract is assigned or novated.

3. LAW

- 3.1. This Deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including without limitation non-contractual disputes or claims) will be governed by and construed in accordance with English law and the parties hereby submit to the exclusive jurisdiction of the English courts (but without prejudice to the right of the parties to bring proceedings in any other jurisdiction to enforce a decision of the English courts) but provided always that in the event that any dispute or difference under this Deed touches upon relates to or is connected with a dispute or difference between the Contractor and the Employer which has been referred to arbitration and in respect of which an arbitrator has been appointed the Employer may (but is not obliged to) by notice in writing to the Guarantor require that the dispute or difference under this Deed be referred to arbitration before the same arbitrator and where reasonably possible joined with such other arbitration.
- 3.2. The parties to this Deed do not intend that any of its provisions should be enforceable by any person by virtue of the Contracts (Rights of Third Parties) Act 1999.

4. EXECUTION AND DELIVERY

This document is executed as a deed and is delivered on the date stated at the beginning of this deed. This document may be signed in any number of separate counterparts, each of which when signed and dated shall be an original, and such counterparts taken together shall constitute one and the same agreement.

EXECUTED AS A DEED BY

LIMITED

**ACTING BY [A] [NAME OF] DIRECTOR
IN THE PRESENCE OF:**

.....

DIRECTOR

WITNESS' SIGNATURE:

WITNESS' NAME:

WITNESS' ADDRESS:

I CONFIRM THAT I WAS PHYSICALLY PRESENT WHEN SIGNED THIS DEED

EXECUTED AS A DEED BY

LIMITED

**ACTING BY [A] [NAME OF] DIRECTOR
IN THE PRESENCE OF:**

DIRECTOR

WITNESS' SIGNATURE:

WITNESS' NAME:

WITNESS' ADDRESS:

I CONFIRM THAT I WAS PHYSICALLY PRESENT WHEN SIGNED THIS DEED

EXECUTED AS A DEED BY

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**ACTING BY [A] [NAME OF] DIRECTOR
IN THE PRESENCE OF:**

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WITNESS' SIGNATURE:

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