

## GUARANTEE TO ACME BANK PLC BY ONE OR MORE PERSONS

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In consideration of Acme Bank plc (hereinafter called 'the Bank') giving or having given advances, credit, banking facilities, time or other accommodation to

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of ..... ('the Customer')

.....

of ..... ('the Guarantor')

HEREBY GUARANTEES payment on demand to the Bank of all present and future liabilities of the Customer to the Bank whether actual or contingent, incurred on account of money advanced upon current or loan accounts, bills of exchange, promissory notes, guarantees, indemnities, interest, commission, banking charges or on any other basis and whether incurred solely severally or jointly and of any legal or other expenses incurred by the Bank in connection with the recovery of the said amounts.

PROVIDED that the total amount recoverable under the Guarantee shall not exceed £.....

together with interest thereon (as well after as before judgement) from the date of demand by the Bank on the Customer at a rate of        per annum above the Bank's Base Rate on the terms and conditions set out below:

1. The Bank may at all times and in any manner without prejudice to this Guarantee and without in any way discharging or otherwise affecting the Guarantor's liability hereunder:
  - vary, increase or determine any credit or other facilities given to the Customer;
  - grant time or indulgence to the Customer or any other person;
  - modify, renew, release or deal with any security given to the Bank in respect of the liabilities hereby guaranteed;
  - renew any bills, notes or other negotiable securities;
  - agree with the Customer as to the application of any advances made to the Customer;
  - release, compound with discharge or modify the liability of the Guarantor or any other person hereunder or make any such arrangements with them as the Bank may decide;
  - assign any or all of the Bank's rights and powers hereunder.
2. This Guarantee shall be in addition to any other guarantee or security held now or hereafter by the Bank in respect of the money's obligations or liabilities hereby guaranteed.

3. The Guarantor shall not take any security from the Customer without the written consent of the Bank and in the event that the Guarantor takes or has already taken any such security it shall hold such security on trust for the Bank as security for the Guarantor's liability hereunder.
4. This Guarantee shall not be satisfied by any intermediate payment or satisfaction of the whole or any part of the Guarantor's liabilities hereunder but shall be a continuing security on the Guarantor and his executors administrators and legal representatives until determined by three months notice in writing from the Guarantor or in the event of the death of the Guarantor or of the Guarantor becoming under disability from the Guarantor's executors administrators or legal representatives. Determination of this Guarantee by notice will not discharge or affect the Guarantor's liability for the amount recoverable at the date of expiration of the notice.
5. The Bank shall be entitled without prior notice to the Guarantor to set off the Customer's liabilities hereunder against any funds standing to the Guarantor's credit in any current or other account with the Bank (whether subject to notice or not) and to retain as security for the discharge of the said liabilities any securities held now or hereafter for the Guarantor by the Bank whether held for safe custody or otherwise.
6. This Guarantee shall apply to the ultimate balance owing by the Customer to the Bank and until such balance has been paid to the Bank in full the Guarantor shall not:
  - be entitled to any share in any security held or money received by the Bank in respect of that balance nor to stand in the place of the Bank in respect of any money or security received by the Bank on account of that balance;
  - attempt to enforce any right or claim against the Customer in respect of any security or money paid by the Customer to the Bank;
  - attempt to enforce any right, claim set off or counterclaim against the Customer in respect of any liability of the Guarantor to the Customer;
  - have nor exercise any rights as surety in competition with the Bank.
7. In the event that this Guarantee is determined as aforesaid or the Bank demands payment by the Guarantor the Bank may nevertheless continue its account with the Customer and the Guarantor shall continue to be liable to the Bank for the amount due to the Bank from the Customer at the date of the determination of the Guarantee or of the demand for payment as the case may be.
8. In the event that any moneys, obligations or liabilities hereby guaranteed are not recoverable from the Guarantor by the Bank under the Guarantee as a result of any failure of or irregularity or in respect of the moneys, obligations or liabilities hereby guaranteed or of any legal limitation or want of power on the part of the Customer or if the Customer is a company of any want of authority of any director officer manager or other representative of the Customer appearing to be authorised to act on the Customer's behalf in any matter relating to the moneys, obligations or liabilities hereby secured such moneys, obligations or liabilities shall be recoverable by the Bank from the Guarantor as principal debtor and shall be paid by the Guarantor forthwith on demand.
9. Where this Guarantee is signed by more than one person the obligations hereby accepted by the Guarantor shall be joint and several and all references to the Guarantor shall include all or any of the said persons and their liability hereunder shall not be affected by reason of the Guarantee failing to bind or

ceasing to be binding as a continuing security on any other or others of them or by reason of the failure of one other or others of them to execute the Guarantee.

10. A certificate signed on behalf of the Bank shall be conclusive evidence of the amount due from the Customer to the Bank on the date specified in the certificate.
11. Any notice or demand hereunder shall be in writing and shall be deemed to be sufficiently given if delivered or sent by post to the address appearing in this Guarantee or to an address subsequently notified to the other party hereto and every notice or demand sent by post shall be deemed to have reached the address 48 hours after the time of posting.
12. In the event that any settlement or discharge is made between the Bank and the Guarantor the Guarantor shall indemnify the Bank against any loss it may sustain in the event that any security or payment made to the Bank by the Customer is avoided or reduced by virtue of any provision or enactments relating to bankruptcy or company liquidations.
13. This Guarantee shall be governed by English Law.
14. This Guarantee shall be the property of the Bank.

Signed by.....

in the presence of

Witness' signature.....

Address.....

.....

Occupation.....

Date.....

Signed by.....

in the presence of:

Witness' signature.....

Address.....

.....

Occupation.....

Date.....

Receipt of a copy of this Guarantee is acknowledged:

Signed.....

Signed.....