

This is a sample of a Director's Guarantee in respect of debts due to a Limited Company for the supply of goods/services on credit. It has been kindly provided by Colemans-ctts Solicitors exclusively for Top Service subscribers. Colemans-ctts have supplied this in good faith and without any express or implied warranty or assurance that this document will be valid, and should not therefore be relied upon. Circumstances requiring guarantees will vary and the law may change. It is extremely important therefore to ensure that an appropriate guarantee is drafted for your particular circumstances. Colemans-ctts would be pleased to assist you with drafting and may be contacted on 020 8296 6703.

DEED OF GUARANTEE

THIS DEED is dated _____ 2006

PARTIES

(1) _____ ("the Guarantor")
(Insert Full Name & Address of Guarantor)

(2) _____ ("the Supplier")
(Insert Full Name of Supplier of goods/services)

BACKGROUND

A. The Supplier supplies goods or services on _____ days (insert number of days credit) credit terms to

("the Customer") (Insert Customer's Full Name & address)

B. The Guarantor has agreed to guarantee to the Supplier all of the debts of the Customer.

AGREED TERMS

- A. In consideration of the Supplier entering into this Deed, the Guarantor at the request of the Customer hereby unconditionally guarantees to the Supplier the due and punctual performance and observance by the Customer of its obligations to the Supplier under the terms of supply agreed between the Supplier and the Customer.
- B. If the Customer shall make default in the payment when due of the amounts payable to the Supplier referred to in paragraph (A) above the Guarantor shall forthwith on demand by the Supplier unconditionally pay to the Supplier an amount equal to all of the amounts payable by the Customer to the Supplier.
- C. As an independent and primary obligation without Paragraph (A) above, the Guarantor hereby unconditionally and irrevocably agrees to indemnify and keep indemnified the Supplier against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Supplier arising from the failure of the Customer to comply with its obligation incurred in connection with it trading with the Supplier or by reason of the Customer not being at any time, or ceasing to be, liable in respect of the obligations and liabilities purported to be assumed by it in accordance with the express terms of this Deed.
- D. This Deed shall remain in full force and effect notwithstanding the death, bankruptcy or incapacity of the Guarantor or the death, bankruptcy, liquidation, incapacity or any change in the constitution or in the name or style of the Customer (or any retirement or death of any partner or in the introduction of any further partner). This Deed shall be additional to any other guarantee or security now or later held from the Guarantor or any person in respect of

the debts or liabilities of the Customer and shall not merge with or prejudice any other security or right or remedy and may be enforced notwithstanding the same.

- E. The Guarantor hereby acknowledges that no security has been taken or shall be taken from the Customer for entering into this Deed, and no steps will be taken to recover from the Customer, or to prove in any liquidation of the Customer in respect of any sum paid by the Guarantor hereunder until all sums due from the Customer to the Supplier have been paid in full.
- F. The Guarantor shall not be exonerated or discharged nor shall his liability be affected by any forbearance, whether as to payment, time, performance or otherwise howsoever, or by any indulgence being given to the Customer or by any variation of the terms of this Deed or by any act, thing, omission or means whatever which, but for this provision, might operate to exonerate or discharge the Guarantor from its obligations under this Deed.
- G. This Deed and any disputes or claims arising out of or connection with its subject matter are governed by and construed in accordance with the laws of England. The parties hereby irrevocably agree that the Courts of England and Wales have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Deed.

In WITNESS whereof the Parties have executed and delivered this document as a deed the day and year first above written

EXECUTED as a DEED by

_____ (Insert Full Name of Guarantor)

In the presence of:

(Insert below Full Name & address of Independent Witness)

Witness Name: _____

Address: _____

Occupation _____

Signature: _____ (Witness to sign here)

EXECUTED as a DEED by

_____ (Insert Name of Supplier)

Acting by
And

Director (to sign here)
Director/Secretary (to sign here)

In the presence of:

Witness Name: _____

Address: _____

Occupation: _____

Signature: _____ (Witness to sign here)

Occupation _____