

Guarantee and Indemnity

BY GIVING THE GUARANTEE AND INDEMNITY CONTAINED IN THIS DEED YOU MIGHT BECOME LIABLE INSTEAD OF OR AS WELL AS THE CUSTOMER. YOU SHOULD SEEK INDEPENDENT LEGAL ADVICE BEFORE ENTERING INTO THIS DEED.

This Deed is made on: _____ **Between**

1. _____
whose address is at _____ **(Guarantor);** and
2. **Aldermore Bank PLC** (a company registered in England with number 00947662) of 4th Floor, Block D, Apex Plaza, Forbury Road, Reading RG1 1AX **(Funder).**

It is agreed

1. Definitions and interpretation

1.1 Definitions

In this Deed:

Business Day means any day (other than a Saturday or Sunday or a public holiday) on which banks are generally open for business in London

Customer means _____

A company registered with number _____
whose address is at _____

Default Rate means 5% above Finance House Base Rate from time to time

Guaranteed Obligations means

- a. all money and liabilities now or hereafter due, owing or incurred to the Funder by the Customer in whatsoever manner in any currency or currencies whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety together with all interest accruing on such moneys and liabilities and all costs, charges and expenses incurred by the Funder in respect of such moneys and liabilities and
- b. the due and proper performance and observance of all present and future obligations of the Customer to the Funder under or in connection with any agreement from time to time between the Funder and the Customer if and when they become performable in accordance with the terms of such agreements, together with all actual costs, charges and expenses incurred by the Funder in respect of such obligations

Party means a party to this Deed

Security means a mortgage, charge, pledge, lien, assignment, assignment by way of security, guarantee or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same)

Tax Deduction means a deduction or withholding for or on account of Tax from a payment to the Funder

1.2 Interpretation

- a. Unless a contrary indication appears, a reference in this Deed to:
 - i. a Party, the Customer or any other person shall be construed so as to include, where relevant, its successors in title, permitted assigns and permitted transferees;
 - ii. clauses are references to clauses of this Deed;
 - iii. any agreement or instrument is a reference to that agreement or instrument as amended, novated, supplemented or restated (however fundamentally);
 - iv. a provision of law is a reference to a provision of any treaty, legislation, regulation, decree, order or by-law and any secondary legislation enacted under a power given by that provision, as amended, applied or re-enacted or replaced whether before or after the date of this Deed; and

v. a time of day is a reference to London time.

- b. Clause and schedule headings are for ease of reference only.
- c. Words importing the plural shall include the singular and vice versa.
- d. References to any liability are to include any liability whether actual, contingent, present or future.

1.3 Third party rights

- a. Unless expressly provided to the contrary in this Deed a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.
- b. The consent of any person who is not a Party is not required to rescind or vary this Deed or any other agreement entered into under or in connection with it.

1.4 Deed

This Deed is intended to take effect as a deed notwithstanding the fact that any Party may only execute this Deed under hand.

2. Guarantee and indemnity

2.1 Guarantee and indemnity

The Guarantor irrevocably and unconditionally:

- a. guarantees to the Funder punctual payment of and performance by the Customer of the Guaranteed Obligations;
- b. undertakes with the Funder that whenever the Customer does not pay and/or perform any of the Guaranteed Obligations when due or performable, the Guarantor shall immediately on demand pay the relevant amounts and/or perform the relevant obligations as if it was the principal obligor; and
- c. agrees with the Funder that if, for any reason, any amount claimed by the Funder is not recoverable or any of the Guaranteed Obligations are not enforceable on the basis of a guarantee, the Guarantor will, as principal debtor and primary obligor and as a separate and independent obligation and liability from its obligations and liabilities under clauses 2.1(a) and 2.1(b), indemnify and keep indemnified the Funder in full and immediately on demand from and against all and any costs, losses, expenses and liabilities suffered or incurred by the Funder arising out of or in connection with:
 - i. any failure of the Customer to pay or perform any of the Guaranteed Obligations on the date when they are expressed to be due or performable; and
 - ii. any of the Guaranteed Obligations being or becoming totally or partially unenforceable by reason of illegality, invalidity, incapacity, lack or exceeding of powers, ineffectiveness of execution or any other matter.

2.2 Guarantee limit

The maximum aggregate liability of the Guarantor under this Deed shall

not exceed £ _____, together with all costs, expenses, interest and other amounts payable by the Guarantor under this Deed.

2.3 Non-termination

This Deed may not be terminated by the Guarantor.

2.4 Continuing guarantee

This Deed is a continuing guarantee and will extend to the ultimate balance and liabilities of the Guaranteed Obligations, regardless of any intermediate payment, performance or discharge in whole or in part.

2.5 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Customer or the Guarantor or any Security for those obligations or otherwise) is made by the Funder in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored in bankruptcy, insolvency or any similar event or otherwise, without limitation, then the liability of the Guarantor under this clause 2 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

2.6 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, would reduce, release or prejudice any of his obligations under this Deed (whether or not known to the Guarantor or to the Funder) including without limitation:

- a. any time, waiver or consent granted to, or composition with, the Customer, the Guarantor or any other person;
- b. the release of the Customer, the Guarantor or any other person under the terms of any composition or arrangement with any creditor of any such entity or person;
- c. 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 Customer, the Guarantor or any 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;
- d. any incapacity (including death or insanity) or lack of power, authority or legal personality of or dissolution or change in the members (if applicable) or status of the Customer, the Guarantor or any other person;
- e. any amendment (however fundamental) or replacement of any Security or any agreement or instrument providing for or entered into in connection with the Guaranteed Obligations;
- f. any unenforceability, illegality or invalidity of any obligation of any person under any Security or any other agreement or instrument; or
- g. any insolvency or similar proceedings.

2.7 Guarantor intent

Without prejudice to the generality of clause 2.6 the Guarantor expressly confirms that he intends that this Deed shall extend from time to time to any (however fundamental) addendum, variation, increase, extension, replacement or addition of or to any agreement providing for any Guaranteed Obligation and/or any facility or amount made available from time to time by the Funder to the Customer for any purpose.

2.8 Immediate recourse

The Guarantor waives any right he may have of first requiring the Funder 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 agreement or instrument to the contrary.

2.9 Appropriations

The Guarantor shall not direct the application by the Funder of any sums received by the Funder from it under this Deed. Until all the Guaranteed Obligations have been irrevocably paid, performed and discharged in full, the Funder may:

- a. refrain from applying or enforcing any other moneys, Security or rights held or received by the Funder 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 shall not be entitled to the benefit of the same; and
- b. hold in an interest-bearing suspense account any moneys received from the Guarantor or on account of the Guarantor's liability under this Deed.

2.10 Deferral of Guarantor's rights

Until all the Guaranteed Obligations have been irrevocably paid, performed and discharged in full, and unless the Funder otherwise directs, the Guarantor will not exercise any rights which he may have by reason of performance by him of his obligations in respect of the Guaranteed Obligations or by reason of any amount being payable, or liability arising, under this clause 2:

- a. to be indemnified by the Customer;
- b. to claim any contribution from the Customer in respect of any of the Guaranteed Obligations;

- c. to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Funder in respect of the Guaranteed Obligations or of any other guarantee or Security taken pursuant to, or in connection with, the Guaranteed Obligations by the Funder;
- d. to bring legal or other proceedings for an order requiring the Customer to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under clause 2.1;
- e. to exercise any right of set-off against the Customer; and/or
- f. to claim or prove as a creditor of the Customer in competition with the Funder.

If the Guarantor receives any benefit, payment or distribution in relation to such rights he shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Funder by the Customer to be repaid in full on trust for the Funder and shall promptly pay or transfer the same to the Funder for application towards the Guaranteed Obligations.

2.11 Additional security

This Deed is in addition to and is not in any way prejudiced by any other guarantee or Security now or subsequently held by the Funder.

3. Default interest

3.1 If the Guarantor fails to pay any amount payable by him 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 the Default Rate. Any interest accruing under this clause 3 shall be immediately payable by the Guarantor on demand by the Funder.

3.2 Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount with monthly rests but will remain immediately due and payable.

4. Representations

The Guarantor represents and warrants to the Funder that:

- a. the obligations expressed to be assumed by him in this Deed are legal, valid, binding and enforceable obligations;
- b. he is not in default under any agreement to which he is a party to an extent or in a manner which might have a material adverse effect on his ability to perform his obligations under this Deed;
- c. he has not taken any action nor have any other procedures or steps been taken or legal proceedings been started or (to the best of the Guarantor's knowledge and belief) threatened against him for his bankruptcy or for the appointment of a trustee or similar officer of any or all of his assets which has not been withdrawn, struck out or otherwise dismissed;
- d. he is not, and none of his assets are, entitled to immunity on any grounds from any legal action or proceeding (including, without limitation, suit, attachment prior to judgment, execution or other enforcement);
- e. his payment obligations under this Deed rank at least *pari passu* with the claims of all his other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law generally;
- f. no litigation, arbitration or other proceedings are taking place, pending, or to his knowledge, threatened against him or any of his assets which, in his reasonable opinion, are likely to be adversely determined (or have been so determined) and, if so determined, would be expected to have a material adverse effect on his ability to perform his obligations under this Deed; and
- g. he has received independent legal advice as to the nature and extent of his obligations under this Deed.

5. Payment mechanics

5.1 All payments by the Guarantor under this Deed shall be made for value on the due date at the time and in the currency in which the Guaranteed Obligations are due and payable or in such funds specified by the Funder as being customary at the time for settlement of transactions in the relevant currency in the place of payment.

5.2 Payment shall be made to such account with the Funder (or such other bank) as the Funder specifies.

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

6. Set-off

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

7. Tax gross-up

7.1 The Guarantor shall make all payments to be made by him under this Deed without any Tax Deduction, unless a Tax Deduction is required by law.

7.2 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.

7.3 If the Guarantor is required to make a Tax Deduction, the Guarantor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

7.4 The Guarantor shall deliver to the Funder evidence reasonably satisfactory to the Funder that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

8. Discharge to be conditional

8.1 Any release, discharge or settlement between the Guarantor and the Funder in relation to this Deed shall be conditional upon no right, Security, disposition or payment to the Funder by the Guarantor or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to breach of duty by any person, bankruptcy, liquidation, administration, the protection of creditors or insolvency or for any other reason.

8.2 If any such right, Security, disposition or payment is void or at any time so set aside or ordered to be refunded, the Funder shall be entitled subsequently to enforce this Deed against the Guarantor as if such release, discharge or settlement had not occurred and any such Security, disposition or payment had not been made.

9. Costs and expenses

The Guarantor shall pay to the Funder the amount of all costs and expenses (including legal fees, stamp duties and any value added tax) incurred by the Funder in connection with the enforcement of, or preservation of, any rights under, this Deed on a full indemnity basis.

10. Certificates and determinations

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

11. Partial invalidity

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.

12. Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Funder, any right or remedy available to it under this Deed, any other agreement or instrument or otherwise in respect of the Guaranteed Obligations shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed and in any other agreement or instrument providing for, or entered into in connection with, the Guaranteed Obligations are cumulative and not exclusive of any rights or remedies provided by law.

13. Assignment

13.1 The Funder may assign or otherwise transfer all or any part of its rights under this Deed.

13.2 The Guarantor may not transfer any of his obligations under this Deed or enter into any transaction which would result in any of those obligations passing to another person.

14. Notices

Any notice, demand or other communication given or made under or in connection with the matters contemplated by this Deed shall be in writing and shall be sent by prepaid first class post to the address of the relevant party set out above or such other address that party may notify to the other for the purposes of this clause 14 and if so sent shall be deemed to have been received (and reference herein to any receipt by any party shall include deemed receipt) by the addressee 2 Business Days after posting if sent by prepaid first class post or on delivery if delivered by hand.

15. Counterparts

This Deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed by e-mail attachment shall be an effective mode of delivery.

16. Electronic Signature

16.1 This Deed may be signed by the parties by way of electronic signature, as defined in section 7(2) of the Electronic Communications Act 2000.

17. Governing law and jurisdiction

17.1 This Deed and any non-contractual obligations arising out of or in connection with it or its subject matter or formation shall be governed by, and construed in accordance with, English law.

17.2 The Parties to this Deed irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Deed or its subject matter or formation (including non-contractual disputes or claims) and no Party will argue to the contrary.

This Deed has been executed as a Deed by the Guarantor and signed by the Funder on the date stated at the beginning of this Deed.

Signatures

The Guarantor

By signing this Deed, the Guarantor confirms that (s)he fully understands the terms and effects of this Deed and that (s)he (a) understands that by signing this Deed (s)he may become liable for the obligations of the Customer (financial or otherwise) and (b) has received independent legal advice as to the effects of executing this Deed.

Executed as a deed by

Signature:

In the presence of an independent witness

Name:

Address of witness:

Occupation:

Signature:

The Funder

Signed by:

Signature:

duly authorised for and on behalf of **Aldermore Bank PLC**

Important – use of your information

About us

In this notice we provide examples of how personal data is collected and how it is used. More information on this can be found by reviewing our full privacy policy. You can also contact our Data Protection Officer if you have any questions about this notice, would like further information about the points raised or to exercise any of your rights.

From time to time, and in particular when you provide us with additional personal information or add additional products, we may also provide you with additional service specific information about the use of your personal data which should be read alongside this notice.

Our full privacy policy

It is important that you understand how the personal information you give us will be used. Therefore, we strongly advise that you read our **full privacy policy**, or you can ask us for a copy.

www.aldermore.co.uk/legal/privacy-policy/

Data Protection Statement – Please note

What personal data do we collect from you and how do we collect it?

We may collect certain personal data which (either on its own or when combined with other information we hold about you) allows us to identify you as an individual and which is about you. You can see details of the types of personal data we may collect about you in our **full privacy policy**.

We will generally collect your personal data directly from you, or via third parties such as brokers or intermediaries. However, we may also collect data from and/or combine your personal data with information from other sources such as Credit Reference Agencies (CRAs) or fraud prevention agencies, and publicly available sources such as social media and Companies House. You can see details of such other sources in our **full privacy policy**.

What do we do with your data and who might we share it with?

We process your data to provide you with the product or service you are using, in accordance with our contract, or to take steps to enter into a contract in respect of a product or service you have requested. We may also use your personal data to comply with our legal obligations, such as detecting and monitoring fraud and other financial crime, and complying with our regulatory obligations.

Some of our processing of your personal data is done on the basis that it is necessary for our legitimate interests in running an efficient and effective bank, including administration, records keeping and governance, improving our products and services and for marketing research and developing statistics, as well as some profiling and automated decision making. We also process your personal data for matters of substantial public interest, such as protecting vulnerable customers or detecting and preventing fraud.

These activities may include sharing your personal data with third party service suppliers such as payment service providers. Other uses of personal data will be to ensure that we can meet our legal and regulatory obligations (and the regulator's expectations) such as meeting audit requirements. We share your information within the Aldermore Bank Group and our contracted third parties who either provide a service to us or you.

We may also, from time to time, ask you for your consent for other purposes, which we will explain to you at the time. Much of what we do with your personal data is not based on your consent and is instead based on other legal grounds. However, for processing that is based on your consent, you have the right to revoke that at any time.

More details about why we use your personal data, who we share it with and how and when you can withdraw your consent can also be found in our **full privacy policy**.

Individuals you have financial links with

We may also collect personal information about other individuals who you have a financial link with. This may include people who you have joint accounts or policies with such as your partner/spouse, dependents, beneficiaries, guarantors or people you have commercial links to, for example beneficial owners, directors, shareholders, employees and officers of your company.

We will collect this information to assess any applications, provide the services requested and to carry out Anti – Money Laundering and fraud prevention checks. You can find out more about how we process personal information about individuals with whom you have a financial link in our **full privacy policy**.

Transferring data abroad?

We will only send your data outside of the European Economic Area (EEA) to follow your instructions, comply with a legal duty or work with our agents and advisers who we use to help run your accounts and services. Safeguards that we put in place include contractual obligations imposed on the recipients of your personal data to require them to protect your personal data to the standard required in the EEA. More information on this can be found in our **full privacy policy**.

How we use credit reference and fraud prevention agencies

In order to process your application we will supply your personal information to CRAs including how you use our products and services and they will give us information about you, such as about your financial history. We do this to assess creditworthiness and product suitability, check your identity, manage your account, trace and recover debts and prevent criminal activity.

We will also continue to exchange information about you with CRAs on an ongoing basis, including about your settled accounts and any debts not fully repaid on time, information on funds going into the account, the balance on the account and, if you borrow, details of your repayments or whether you repaid on time. CRAs will share your information with other organisations, for example other organisations that you ask to provide you with products and services. Your data will also be linked to the data of any joint applicants or other financial associates as explained above. You can find out more about the identities of the CRAs, and the ways in which they use and share personal information here: www.experian.co.uk/crain/index.html

The personal information we have collected from you and anyone you have a financial link with may be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by us and these fraud prevention agencies can be found in our **full privacy policy**.

Data privacy notices from other organisations

Fraud Prevention Agencies and CRAs will use your personal data to perform their services or functions as data controllers in their own right. These notices are separate to our own. Additionally, where a broker or other intermediary processes your personal data as a data controller in its own right, its own privacy notice will apply and you should ask them for a copy if you have not received one by the time you are introduced to us.

Use of your personal information

What are your rights over your personal data?

You have a number of rights in relation to your personal data. You can find more information in our full privacy policy or by contacting us if you wish to exercise any of the following rights.

- to request access to your personal data and to obtain information about how we process it
- to object to the processing of your personal data
- to restrict processing of your personal data
- to have your personal data erased
- to have your personal data corrected if it is inaccurate and to have incomplete data completed
- to move, copy or transfer your personal data
- Rights in relation to automated decision making including profiling

The right to complain to the Information Commissioner's Office [www.ico.org.uk] who regulates the processing of personal data in the UK.

Marketing

We will keep you informed about our products and services similar to those you already have, although you can opt out of receiving this at any time by logging on to your account where online access is provided, writing to us or emailing us at any of the contacts published on our website.

Contact us

Data Protection Officer
Aldermore
1st Floor
Block B, Western House,
Lynch Wood
Peterborough
PE2 6FZ

Email: DPO@aldermore.co.uk