

PERSONAL GUARANTEE - INDIVIDUAL GUARANTOR

THIS GUARANTEE is delivered on the [] 20[] by

(1) [] of []

(the **Guarantor**) in favour of

(2) **METRO BANK PLC** whose registered office is at One Southampton Row, London, WC1B 5HA (registered number 6419578) (the **Lender**).

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Guarantee:

Borrower means [], a company incorporated and registered in [] with company number [] whose registered office is at

[];

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

Guaranteed Obligations means all or any monies and liabilities which are for the time being and from time to time (and whether on or at any time after demand) due, owing or payable, or expressed to be due, owing or payable, in whatsoever manner to the Lender by the Borrower whether actually or contingently, solely or jointly and whether as principal or surety subject to the Guarantee Limit;

Guarantee Limit means £[] plus interest, charges, costs and expenses payable under this Guarantee;

Relevant Agreement means any agreement or instrument from time to time constituting or evidencing the Guaranteed Obligations as amended or supplemented from time to time;

Rights means any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise;

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person, or any other agreement having a similar effect;

Warranties means the representations and warranties set out in clause 6.

1.2 Interpretation

1.2.1 In this Guarantee, unless the context otherwise requires:

- (a) any reference to a clause, sub-clause, schedule or party is to a clause, sub-clause of, or schedules or party to, this Guarantee;
- (b) all references to a statute shall be construed as including references to:
 - (i) any statutory modification, consolidation or re-enactment (whether before or after the date of this Guarantee) for the time being in force;
 - (ii) all statutory instruments or orders made pursuant to that statute; or
 - (iii) any statutory provisions of which it is a consolidation, re-enactment or modification;
- (c) any phrase introduced by the terms 'including', 'include, in particular' or any similar expression is illustrative only and does not limit the sense of the words preceding those terms;
- (d) any reference to this Guarantee or to any other agreement or document shall be construed as references to this Guarantee or, as the case may be, such other agreement or document, in each case as amended, supplemented, restated or novated from time to time;
- (e) a reference to the singular includes the plural and vice versa; and
- (f) a reference to the Lender shall include its successors in title and/ or assigns.

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- 1.2.2 The headings in this Guarantee are inserted for convenience only and do not affect the interpretation of this Guarantee.
- 1.2.3 If there shall be more than one person named as the Guarantor in this Guarantee, then the liabilities and obligations of such persons under this Guarantee shall be joint and several and references to the Guarantor in this Guarantee shall be construed as references to all such persons or to each or any of them, as the context admits.

2 GUARANTEE AND INDEMNITY

- 2.1 In consideration of the Lender making or continuing loans to, giving credit or granting banking facilities, accommodation or time to the Borrower as the Lender in its absolute discretion sees fit, the Guarantor unconditionally and irrevocably guarantees the due and punctual payment and performance by the Borrower of the Guaranteed Obligations.
- 2.1 If the Guaranteed Obligations are not recoverable from the Borrower by reason of illegality, incapacity, lack or exceeding of powers, ineffectiveness of execution or any other reason, the Guarantor shall remain liable under this Guarantee for the Guaranteed Obligations as if it were the sole or principal debtor in respect of those obligations.
- 2.2 The Guarantor as principal obligor and as a separate and independent obligation and liability from its obligations and liabilities under clause 2.1 agrees to indemnify and keep indemnified the Lender in full and on demand from and against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Lender arising out of, or in connection with, any failure of the Borrower to perform or discharge any of its obligations or liabilities in respect of the Guaranteed Obligations.

3 LENDER'S PROTECTION

- 3.1 This Guarantee is and shall at all times be a continuing security and shall cover the ultimate balance from time to time owing to the Lender by the Borrower in respect of the Guaranteed Obligations.
- 3.2 The liability of the Guarantor shall not be impaired or discharged by reason of:
 - 3.2.1 any intermediate payment, settlement of account or discharge in whole or in part of the Guaranteed Obligations;
 - 3.2.2 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Lender may now or after the date of this Guarantee have from or against the Borrower or any other person in connection with the Guaranteed Obligations;
 - 3.2.3 any act or omission by the Lender or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Borrower or any other person;
 - 3.2.4 any termination, amendment, variation, novation or supplement of or to any of the Guaranteed Obligations;
 - 3.2.5 any grant of time, indulgence, waiver or concession to the Borrower or any other person;
 - 3.2.6 any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, discharge by operation of law, or any change in the status constitution, name or style or, if an individual, the death of the Borrower or any other person;
 - 3.2.7 any actual or purported termination, or any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Borrower or any other person including without limitation any co-guarantor in connection with the Guaranteed Obligations;
 - 3.2.8 any claim or enforcement of payment from the Borrower or any other person;
 - 3.2.9 any release or discharge of any other Guarantor from this Guarantee or any person who has given any guarantee of the Guaranteed Obligations from that Guarantee or any security given in respect thereof, or the acceptance of any composition from or the making of any arrangements with any of them; or
 - 3.2.10 any act or omission which would not have discharged or affected the liability of the Guarantor had he been a principal debtor instead of a guarantor, or indemnifier or by anything done or omitted by any person which but for this provision might operate to exonerate or discharge the Guarantor or otherwise reduce or extinguish its liability under this Guarantee.

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- 3.3 The Lender shall not be obliged before taking steps to enforce any of its rights and remedies under this Guarantee:
- 3.3.1 to take any action or obtain judgment in any court against the Borrower or any other person; or
 - 3.3.2 to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Borrower or any other person; or
 - 3.3.3 to make demand, enforce or seek to enforce any claim, right or remedy against the Borrower or any other person.
- 3.4 The Guarantor warrants to the Lender that he has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Borrower, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Guarantor under this Guarantee but:
- 3.4.1 if any of the Rights is taken, exercised or received by the Guarantor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Guarantor on trust for the Lender for application in or towards the discharge of the Guaranteed Obligations under this Guarantee; and
 - 3.4.2 on demand by the Lender, the Guarantor shall promptly transfer, assign or pay to the Lender all other Rights and all monies from time to time held on trust by the Guarantor under this clause 3.4.
- 3.5 Until the Guaranteed Obligations have been irrevocably paid in full:
- 3.5.1 the Guarantor shall not be entitled to share in any security held or any money received by the Lender in respect of the Guaranteed Obligations or to stand in the place of the Lender in respect of the Guaranteed Obligations or any such security or money; and
 - 3.5.2 the Guarantor shall not take any step to enforce any right or claim against the Borrower or any other Guarantor (including without limitation any step to prove or claim in a liquidation of the Borrower or any other Guarantor) in respect of any moneys paid by any Guarantor under this Guarantee or have or exercise any rights as surety in competition with the Lender.

4 INTEREST

- 4.1 The Guarantor shall pay interest to the Lender on all sums demanded under this Guarantee from the date of demand by the Lender or, if earlier, the date on which the relevant damages, losses, costs or expenses arose in respect of which the demand has been made, until, but excluding, the date of actual payment.
- 4.2 Interest shall be payable at the highest prevailing rate charged to the Borrower by the Lender from time to time under any Relevant Agreement and if there is no such agreement, interest shall be computed and compounded according to the Lender's usual rates and practice and so that interest shall be computed and compounded as well after as before any demand made or decree or judgment obtained under this Guarantee.

5 COSTS

- 5.1 The Guarantor shall on a full indemnity basis pay to the Lender on demand the amount of all costs and expenses (including legal and out-of-pocket expenses and any valued added tax on those costs and expenses) which the Lender incurs in connection with:
- 5.1.1 any actual or proposed amendment, variation, supplement, waiver or consent under or in connection with this Guarantee;
 - 5.1.2 any discharge or release of this Guarantee; and
 - 5.1.3 the preservation, exercise and enforcement of any rights under or in connection with this Guarantee or any attempt so to do.

6 REPRESENTATIONS AND WARRANTIES

- 6.1 The Guarantor represents and warrants that:
- 6.1.1 the execution, delivery and performance of the obligations in, and transactions contemplated by, this Guarantee does not and will not contravene any agreement or instrument binding on the Guarantor or his assets, or any applicable law or regulation;
 - 6.1.2 his obligations under this Guarantee are legal, valid, binding and enforceable; and

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- 6.1.3 his payment obligations under this Guarantee rank at least *pari passu* with the claims of all his other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

7 ACCOUNTS

- 7.1 The Lender may place to the credit of a suspense account any monies received under or in connection with this Guarantee in order to preserve the rights of the Lender to prove for the full amount of all its claims against the Borrower or any other person in respect of the Guaranteed Obligations.
- 7.2 The Lender may at any time and from time to time apply all or any monies held in any suspense account in or towards satisfaction of any of the monies, obligations and liabilities the subject of this Guarantee as the Lender, in its absolute discretion, may conclusively determine.
- 7.3 If this Guarantee ceases for any reason whatsoever to be continuing (including but without limitation by actual or purported termination by the Guarantor), the Lender may open a new account or accounts in the name of the Borrower.
- 7.4 If the Lender does not open a new account or accounts pursuant to clause 7.3, it shall nevertheless be treated as if it had done so at the time that this Guarantee ceased to be continuing whether by termination, calling in or otherwise, in relation to the Borrower.
- 7.5 As from the time of opening or deemed opening of a new account, all payments made to the Lender by or on behalf of the Borrower shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount for which this Guarantee is available at that time nor shall the liability of the Guarantor under this Guarantee in any manner be reduced or affected by any subsequent transactions, receipts or payments.

8 DISCHARGE CONDITIONAL

- 8.1 Any release, discharge or settlement between the Guarantor and the Lender in relation to this Guarantee shall be conditional on no right, Security, disposition or payment to the Lender by the Guarantor, the Borrower or any other person in respect of the Guaranteed Obligations being avoided, set aside or ordered to be refunded pursuant to any enactment or law relating to breach of duty by any person, bankruptcy, liquidation, administration, protection from creditors generally or insolvency or for any other reason.
- 8.2 If any right, Security, disposition or payment referred to in clause 8.1 is avoided, set aside or ordered to be refunded, the Lender shall be entitled subsequently to enforce this Guarantee against the Guarantor as if such release, discharge or settlement had not occurred and any such right, Security, disposition or payment had not been given or made.

9 PAYMENTS

- 9.1 All sums payable by the Guarantor under this Guarantee shall be paid in full to the Lender in the currency in which the Guaranteed Obligations are payable:
- 9.1.1 without any set-off, condition or counterclaim whatsoever; and
- 9.1.2 free and clear of any deductions or withholdings whatsoever except as may be required by law or regulation which is binding on the Guarantor.
- 9.2 If any deduction or withholding is required by any law or regulation 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 deduction or withholding) leaves an amount equal to the payment which would have been due if no deduction or withholding had been required.
- 9.3 The Guarantor shall promptly deliver or procure delivery to the Lender of all receipts issued to him evidencing each deduction or withholding which it has made.
- 9.4 The Guarantor shall not and may not direct the application by the Lender of any sums received by the Lender from the Guarantor under, or pursuant to, any of the terms of this Guarantee.

10 TRANSFER

- 10.1 This Guarantee is freely assignable or transferable by the Lender.
- 10.2 The Guarantor may not assign any of its rights and may not transfer any of its obligations under this Guarantee or enter into any transaction which would result in any of those rights or obligations passing to another person.

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11 SET-OFF

- 11.1 The Guarantor authorises the Lender to apply any credit balance (whether or not then due) to which the Guarantor is at any time beneficially entitled on any account with the Lender in (or towards) satisfaction of any sum then due and payable by the Guarantor to the Lender under this Guarantee, but which is unpaid.
- 11.2 The Lender shall not be obliged to exercise any rights given to it under clause 11.1.

12 EVIDENCE OF AMOUNTS AND CERTIFICATES

Any certificate, determination or notification by the Lender as to a rate or any amount payable under this Guarantee is (in the absence of manifest error) conclusive evidence of the matter to which it relates and shall contain reasonable details of the basis of determination.

13 TERMINATION

- 13.1 The Guarantor may terminate this guarantee at any time by notice to the Bank with effect from the date (Termination Date) specified in that notice, which shall be not less than three calendar months after the notice is actually received by the Bank.
- 13.2 Notwithstanding any notice of termination given under Clause 13.1, the liability of the Guarantor under this guarantee shall continue in full force and effect in relation to:
- 13.2.1 all Guaranteed Obligations which have become due on or before the Termination Date; and
- 13.2.2 All Guaranteed Obligations which become due, owing or incurred by the Borrower to the Bank in relation to any transaction, dealing, commitment or other engagement entered into or effected either:
- (a) before the Termination Date; or
 - (b) on or after the Termination Date pursuant to any commitment, express or implied, assumed or undertaken by the Bank to the Borrower before the Termination Date.

14 REMEDIES, WAIVERS, AMENDMENTS , CONSENTS

- 14.1 Any amendment to this Guarantee shall be in writing and signed by or on behalf of each party.
- 14.2 Any waiver of any right or consent given under this Guarantee is only effective if it is in writing and signed by the waiving or consenting party, and applies only in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- 14.3 No delay or failure to exercise any right under this Guarantee shall operate as a waiver of that right.
- 14.4 No single or partial exercise of any right under this Guarantee shall prevent any further exercise of the same or any other right under this Guarantee.
- 14.5 Rights and remedies under this Guarantee are cumulative and not exclusive of any rights or remedies provided by law or otherwise.

15 SEVERANCE

- 15.1 The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Guarantee shall not affect the validity, enforceability or legality of the other provisions.
- 15.2 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the parties.

16 THIRD PARTY RIGHTS

A person who is not a party to this Guarantee shall have no rights to enforce or enjoy the benefit of any term of this Guarantee under the Contracts (Rights of Third Parties) Act 1999.

17 COUNTERPARTS

This Guarantee may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

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18 DISCLOSURE

The Guarantor authorises the Lender to disclose to the Borrower and to any other third party guarantor connected to the Borrower such information relating to the Guarantor as the Lender may reasonably consider necessary or desirable in connection with this Guarantee.

19 NOTICES

Every notice demand or other communication under this Guarantee shall be in writing and may be delivered personally or by letter email to the address for such party contained in this Guarantee, or such address and/ or email address as may be notified in accordance with this clause 19 by the relevant party to the other party for such purpose.

20 LAW AND JURISDICTION

This Deed is governed by and shall be construed in accordance with English law and the parties hereby irrevocably submit to the exclusive jurisdiction of the English Courts.

IN WITNESS WHEREOF this document has been executed as a Deed and is delivered and takes effect on the date stated at the beginning of it

CAUTION: THIS DOCUMENT HAS SERIOUS LEGAL IMPLICATIONS. BEFORE SIGNING IT YOU MUST RECEIVE INDEPENDENT LEGAL ADVICE.

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I, [] [confirm that I am a [] of the Borrower] and, by signing below, I confirm for the Lender's protection that:

- I decided, of my own free will, that I wish to grant the Guarantee in favour of the Lender on account of the obligations of the Borrower.
- I have been given the Guarantee and have had adequate time to read and consider it.
- I have been told of my right to be provided by the Lender with details of the Borrower's obligations and I have received all the information which I required.
- I have taken independent legal advice prior to the execution of this Guarantee.
- Having read the terms of the Guarantee, I understand the contents.
- I understand fully the risks and implications of entering into this Guarantee.
- No pressure or influence has been exerted upon me to sign this Guarantee.
- I have the choice whether or not to sign the Guarantee and confirm that I wish to

Signed as a Deed by [] in the presence of:

Witness's signature:

Name (in block capitals)

Address

Occupation