

## TO SUPPORT AN UNREGULATED HIRE AGREEMENT (NOT A LOAN) TO BE SECURED ON GUARANTOR PROPERTY

To: NATIONWIDE FINANCE LIMITED (The "Financier")

The Company identified below has asked the Financier to provide it with finance which will involve the Company selling certain goods owned by the Company to the Financier and hiring those same goods back to the Company under a hire or hire purchase agreement to be made between the Financier and the Company on or after the date of this Deed ( hereinafter referred to as the "Hire/HP Agreement").

In consideration of the Financier agreeing, at the request of the Guarantor, to provide the Company with finance and enter into the Hire/HP Agreement with;

(the "Company") whose address/registered office is at:

### The Guarantor identified below ("the Guarantor") hereby agrees as follows:

1. To unconditionally and irrevocably guarantee the payment by the Company to the Financier of all sums which may at any time be due by the Company to the Financier under the Hire/HP Agreement (and whether alone or jointly and severally with another person) and the due performance of all of the obligations of the company under the Hire/HP Agreement.

2. Without prejudice to clause 1 above, as a separate, continuing and primary obligation, to indemnify the Financier in respect of all claims, expenses, liabilities and losses incurred or suffered by the Financier by reason of the Financier entering into the Hire/HP Agreement or which are made or brought against or incurred by the Financier as a result of or in connection with any obligation or liability guaranteed by the Guarantor being or becoming unenforceable, invalid, void or illegal and the amount recoverable by the Financier from the Guarantor under this indemnity shall be equal to the amount which the Financier would otherwise have been entitled to recover either under the Hire/HP Agreement or this Deed.

3. The Guarantor's liability under this Deed shall not in any way be discharged or reduced by reason of the Financier without the Guarantor's knowledge or consent, granting any time or indulgence or concession or compounding with discharging, releasing or varying the liability of the Company or any other person or concurring in, accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment or determining, varying, reducing or extending the terms of any agreement between the Financier and the Company or by anything done or omitted which but for this provision might operate to exonerate the Guarantor from liability.

4. The Guarantor waives all rights of subrogation and agrees not to claim any set-off or counterclaim against the Company or any other person liable or to claim or prove in competition with the Financier in the bankruptcy or liquidation of the Company or any such person or to have the benefit of or share in any payment or composition from the Company or such person or in any indemnity, guarantee or security now or hereafter held by the Financier until all monies, obligations and liabilities of the Company to the Financier have been paid, discharged and satisfied in full. Any indemnity, guarantee or security now or hereafter held by or for the Guarantor which extends to any liability hereunder and all monies at any time received in respect thereof shall be held by the Guarantor in trust for the Financier as a continuing security for the Guarantor's obligations. Any money received by virtue of this Deed may be placed to the credit of a suspense account with a view to preserving the Financier's rights to prove the whole of the Financier's claim against the Company in the event of the insolvency of the Company.

5. The Guarantee and Indemnity given by the Guarantor under this Deed will cover all liabilities incurred or owing by the Company under or in connection with the Hire/HP Agreement notwithstanding that the incurring of such liabilities may be invalid or in excess of the powers of the Company, or of any director, agent, attorney or other person acting or purporting to act on behalf of the Company, and notwithstanding any irregularity in the incurring of such liabilities.

6. Any termination sum payable under the Hire/HP Agreement following termination or other early settlement of the Hire/HP Agreement will be based upon the remaining total gross rentals shown in the Hire Agreement/ HP rental payments section and also shown in clause 6 of the terms and conditions of any hire purchase or clause 9 (b) of any hire agreement being the relevant Hire/HP Agreement . Where the relevant Hire/HP Agreement is a hire agreement only with no option to purchase, the aforesaid termination sum represents damages and not a supply of services therefore neither the Company nor the Guarantor will receive a VAT invoice or be able to reclaim VAT as the said termination sum is not a vatiable supply. The Financier will also have no VAT liability on the said termination sum.

7. A demand shall, without prejudice to any other effective mode of making the same, be deemed to have been sufficiently made hereunder if sent by first class post to the Guarantor at the Guarantor's address stated below and shall be assumed to have reached the Guarantor within 24 hours of posting and in proving such service it shall be sufficient to prove that the demand was properly addressed and posted.

8. The Guarantor will pay to the Financier on a full indemnity basis, on demand, the amount of all costs and expenses (including legal costs) which the Financier incurs in connection with the preservation or exercise or enforcement of any rights under or in connection with this Deed or the Hire/HP Agreement or any attempt to do so and any discharge or release, whether or not the relevant Hire/HP Agreement has been terminated, settled, expired or otherwise discharged.

9. Each of the provisions of this Deed shall be severable and distinct from one another and if one or more of such provisions is invalid or unenforceable the remaining provisions shall not in any way be affected.

10. The Guarantor acknowledges that when this guarantee and indemnity was presented for the purpose of being signed by him there was also presented or he had previously been sent a copy of this guarantee and indemnity together with a copy of the Hire/HP Agreement showing the rentals and other sums payable under the Hire/HP Agreement and the terms and conditions of the Hire/ HP Agreement. The Guarantor further acknowledges that he has read and understood this guarantee and indemnity and the Hire/HP Agreement and is aware of the sums payable under the Hire/HP Agreement ,and in particular under clause 6 of the terms and conditions of any hire purchase or clause 9 of the terms and conditions of any hire agreement which is the relevant Hire/HP Agreement should the Hire/HP Agreement be terminated early and which would then become payable to the Financier, upon demand, by the Guarantor.

11. This Deed shall be governed by and interpreted in accordance with English law.

### THIS DOCUMENT IS IMPORTANT

**Before the Guarantor signs it the Financier recommends that the Guarantor gets advice from a solicitor or other independent legal adviser.**

**The liability of the Guarantor under this document covers the obligations of the Company as defined in this document. The Guarantor may be liable both instead of and as well as that Company.**

**The Guarantor should not sign this document unless he/she agrees to be legally bound by its terms and unless he/she is signing freely without pressure or influence on him/her from the Company or anyone else.**

Signed as a Deed by:		
Signature:	X	
Address:		
Date:		Phone:
In the presence of		
Witness Name:		
Witness Signature:		
Address:		