

IPSWICH BUILDING SOCIETY

DEED OF GUARANTEE

Dated 20

The Borrower: (full name(s) and address(es))	
Mortgage Account Number:	
The Society: IPSWICH BUILDING SOCIETY whose principal office is at Whose principal office is at Freehold House, 6-8 The Havens, Ransomes Europark, Ipswich, Suffolk IP3 9SJ	
The Guarantor: (full name(s) and address(es))	
Legal Charge:	The Legal Charge dated 20 made between the Borrower and the Society charging the Property
The Property:	
HM Land Registry Title Number:	
First Advance: £	

1 Definitions

- 1.1 In this Guarantee, the following expressions are used and have the following meaning:
- "Obligations"** all sums of money secured by the Legal Charge which the Borrower may now or at any time in the future owe to the Society, including (but not limited to):
- (a) the First Advance;
 - (b) Costs; and
 - (c) Interest;
- "Costs"** means all costs, charges, fines and expenses (including the Society's internal and management costs and legal costs on a full indemnity basis) properly incurred by the Society in exercising its rights under the Legal Charge;
- "First Advance"** means the amount mentioned above now, or shortly to be, advanced by the Society to the Borrower;
- "Additional Borrowing"** means each and every additional advance made by the Society to the Borrower other than the First Advance;
- "Guarantee"** means this deed of Guarantee;
- "Interest"** means interest on the Obligations calculated and charged in accordance with the Mortgage Deed both before and after any judgment;
- "Legal Charge"** means the Legal Charge described above;
- "Property"** means the property described in the Legal Charge and referred to above; and
- "Society"** means the Ipswich Building Society.
- 1.2 References to the Society include any person who succeeds the Society in business or to whom the Society's rights under the Guarantee are transferred.
- 1.3 References to the masculine include the feminine and neuter (as appropriate).
- 1.4 References to the "Guarantor" include the legal representatives of any Guarantor who dies, becomes insolvent or becomes unable to manage his affairs.
- 1.5 Where more than one person is giving this Guarantee, then:
- (a) references to the "Guarantor" refer to both or all of the persons who are together the Guarantor, and each of those persons separately;
 - (b) if any of the persons who are together called the "Guarantor" dies, becomes insolvent or unable to manage his affairs, this will not affect the liability of the remaining persons;
 - (c) the liability of the Guarantor to the Society is both joint and several, which means the Society may enforce against any or all of the persons who are together the Guarantor for any sum;
 - (d) any notice served under clause of this Guarantee on any one of the persons who are together the Guarantor shall be deemed to have been served on all of the persons who are together the Guarantor.
- 1.6 References to any Act of Parliament or other legislation include that provision as altered or updated from time to time, whether before or after the date of this Guarantee.

2 The Guarantor's Obligations to the Society

- 2.1 The Guarantor will pay and make good in full to the Society all of the Obligations to the Society which the Borrower fails to pay or otherwise fails to observe and perform and in the event that the Society requires the Guarantor to make payment to the Society, or otherwise to comply with or perform the Obligations, the Guarantor will pay the same in full without making any deductions and will comply with the Obligations in all respects (as the case may be) immediately upon receipt of notification from the Society
- 2.2 The Society is entitled to demand payment from the Guarantor of any or all of the moneys due from time to time from the Borrower to the Society pursuant to the Obligations without first making seeking to enforce the Obligations or any of them against the Borrower and whether or not the Society has first made demand of the Borrower
- 2.3 If for any reason any of the Obligations are deemed to be void or unenforceable against the Borrower, the Society's rights and remedies against the Guarantor shall remain subsisting and the Society is entitled to require the Guarantor to make all payments due pursuant to the terms of the Legal Charge and to comply with and perform such of the other Obligations and the other provisions of the Legal Charge as the Society decides as if the Guarantor was the principal and therefore primarily liable to the Society

3 Limits on the liability of the Guarantor

- 3.1 At no time will the liability of the Guarantor to the Society under this Guarantee exceed the total of the following amounts:
- (a) the initial amount of the First Advance plus six months' Interest on such amount, Costs arising in any way in respect of the First Advance, and Interest on all of these sums from the date the Society demands payment from the Guarantor until actual payment; and
 - (b) the initial amount of every Additional Borrowing to which the Guarantor gives written consent plus six months' Interest on such amount, Costs arising in any way in respect of such Additional Borrowing, and Interest on all of these sums from the date the Society demands payment from the Guarantor until actual payment.
- 3.2 This Guarantee may be determined and the liability under it established by the Guarantor giving the Society six months' written notice. If the Guarantor gives such notice then:
- (a) the liability of any Guarantor who has given notice will be established on the expiry of such notice (the "Expiry Date") at the amount of all Obligations at the Expiry Date, Costs incurred both before and after the Expiry Date, and Interest on all of those sums from the date the Society demands payment from the Guarantor until actual payment, but subject always to the limit on liability contained in clause 3.1.

- (b) the Guarantor giving notice will remain liable to the Society up to the amount of his liability established under sub-clause (a) even if the Society does not immediately demand payment from such Guarantor; and
 - (c) the liability of the remaining Guarantors will continue unaffected by such notice.
- 3.3 Notice under clause 3.2 will be invalid unless given to the Society in accordance with clause 7.2.

4 Continuing nature of this Guarantee

- 4.1 This Guarantee and the Guarantor's liability under it will arise and continue regardless of whether or not:
- (a) the Society has made a previous demand or the Guarantor has made any previous payment under this Guarantee;
 - (b) the Society allows the Borrower or the Guarantor additional time to make any payment to the Society or allows the Borrower or the Guarantor any other concession;
 - (c) the Society comes to any other arrangement with the Borrower or the Guarantor in relation to the Obligations;
 - (d) the Society takes any other security guarantee or similar obligation in relation to the Obligations, or when taken, that other security guarantee or similar obligation is unenforceable for any reason;
 - (e) the Borrower or any one of the persons who, together with others, is called the "Guarantor" dies, becomes insolvent or incapable of managing his affairs.

5 The Society's rights under this Guarantee

- 5.1 This Guarantee is independent of and additional to any other security, guarantee or similar obligation of which the Society may have the benefit in connection with the Obligations. The Society may decide whether or not to exercise its rights under these documents and the order in which it does so but does not have to do so before it exercises its rights under this Guarantee.
- 5.2 No failure or delay by the Society in exercising its rights under this Guarantee, or any partial exercise of those rights, will prevent any further or full exercise of those rights by the Society.
- 5.3 This Guarantee is and will remain the property of the Society.
- 5.4 The Society may, but is not obliged to, hold any monies it receives under this Guarantee in a separate suspense account.

6 Restrictions on the Guarantor

- 6.1 While any of the Obligations remains outstanding, the Guarantor will not enforce against the Borrower any legal right which the Guarantor may have or acquire if the Guarantor pays any sum to the Society instead of or on behalf of the Borrower.

- 6.2 The Guarantor confirms that the Guarantor does not hold and for as long as the Obligations remain outstanding will not hold, any security from the Borrower in relation to the Obligations under this Guarantee.
- 6.3 If the Guarantor makes a payment under this Guarantee, the Guarantor will not be entitled to claim any benefit of or any share in any security guarantee or other similar obligation which the Society holds in relation to the Obligations until the Society has received full repayment of the Obligations.

7 Notices

- 7.1 Any notice to be given by the Society will be deemed to be served on the Guarantor if it is in writing and if:
- (a) it is left at the Guarantor's address stated in this Guarantee or at the place of business or abode of the Guarantor last known to the Society, or
 - (b) if it is sent by pre-paid ordinary, registered or recorded delivery post addressed to the Guarantor at the address described in clause 7.1(a) above,
- and any notice posted in accordance with this clause shall be deemed to have been received by the Guarantor 48 hours after the notice has been posted by the Society unless the notice is returned to the Society by the Post Office undelivered.
- 7.2 Any notice to be given by the Guarantor to the Society may be left at or sent by post to the Head Office of the Society. All notices served by the Guarantor on the Society will have no effect unless the notice contains the mortgage account number of the Borrower stated in this Guarantee.
- Any notice served on the Society by the Guarantor will be deemed to be served at the time at which the notice is actually received by the Society.

8 The Society's right to transfer the Mortgage Deed

- 8.1 The Society may at any time transfer all or any of its rights under the Legal Charge, and the benefit of this Guarantee in support of the same, to any person or body without the consent of or notice to the Guarantor.
- 8.2 The Guarantor agrees that the Guarantor's liability under this Guarantee will be unaffected by any transfer by the Society of all or any of its rights under the Legal Charge, and the benefit of this Guarantee in support of the same.

This Deed is important

Once you have signed this Deed you will be legally bound by its terms, and the Society may become entitled to enforce its rights against you instead of or as well as enforcing its rights against the Property or the Borrower, if the Borrower fails to pay money to the Society in accordance with the Legal Charge.

Your liability is limited as set out in clause 3.

The Society requires you to take independent legal advice from a solicitor/conveyancer who is independent of the Borrower before you sign this deed. Your signature to this deed must be witnessed by the independent solicitor/conveyancer.

Signed and delivered as a Deed by the Guarantor in the presence of the witness.

Guarantor _____ Date _____

Witness _____ Date _____

Print Name _____

Occupation _____

Address _____

Guarantor _____ Date _____

Witness _____ Date _____

Print Name _____

Occupation _____

Address _____

Acknowledgement

I confirm that before this Guarantee was approved by the Guarantor, I interviewed the Guarantor without the Borrower being present. I am not acting for either the Borrower or the Society in connection with the loan to the Borrower by the Society.

I explained the full nature and effect of this Guarantee to the Guarantor who confirmed that he / she understood and agreed the terms of the Guarantee and its implications and the liabilities imposed upon the Guarantor. The Guarantor also confirmed that he / she was willing to enter into the Guarantee and did so of his / her own free will and without influence or coercion to do so from any other person.

Signature of Solicitor/Legal Executive

Date

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Name of Solicitor/Legal Executive:

Name and Address of Firm: