

DATED:

20__

PARENT COMPANY GUARANTEE FROM CONTRACTOR'S PARENT COMPANY

FOR CONTRACT (PC - [])

AT

[PROJECT LOCATION]
[(DESCRIPTION OF WORKS)]

[File ref]

AGREEMENTS: *Parent Company Guarantee*

THIS DEED is dated [DATE]

PARTIES

- (1) [FULL COMPANY NAME] incorporated and registered in England and Wales with company number [NUMBER] whose registered office is at [REGISTERED OFFICE ADDRESS] (**Guarantor**)
- (2) (1) [FULL COMPANY NAME] incorporated and registered in England and Wales with company number [NUMBER] whose registered office is at [REGISTERED OFFICE ADDRESS] (**CONTRACTOR**)
- (3) **WEST SUSSEX COUNTY COUNCIL** of County Hall, West Street, Chichester, PO19 1RQ (**Employer**)

WHEREAS

- (A) By an Agreement ("**the Contract**") made between the Employer and the Contractor, the Contractor has agreed to carry out certain works at [location and (description of works)] project number PC-[] ("**the Works**") in accordance with the terms and conditions of the Contract.
- (B) It is a condition of the Contract that that the Contractor provides a parent company guarantee in these terms to the Employer.
- (C) The Guarantor is the parent company of the Contractor.

NOW IT IS AGREED as follows:

1. GUARANTEE AND INDEMNITY

- 1.1 In consideration of the Employer entering into the Contract with the Contractor, the Guarantor guarantees the due and punctual performance by the Contractor of the Contractor's duties and obligations to the Employer under the Building Contract.
- 1.2 If the Contractor fails to observe or perform any of its duties or obligations to the Employer under the Building Contract, or if the Contractor fails to pay any sum, loss, debt, damage, interest, cost or expense due from the Contractor to the Employer under or in connection with the Building Contract, the Guarantor (as a separate and independent obligation and liability from its obligations and liabilities under clause 1.1) shall indemnify the Employer against all loss, debt, damage, interest, cost and expense incurred by the Employer by reason of such failure or non-payment and shall, on first written demand, pay to the Employer, without any deduction or

set-off, the amount of that loss, debt, damage, interest, cost and expense.

- 1.3 If the Contractor suffers an Insolvency Event the Guarantor shall indemnify the Employer against all loss, debt, damage, interest, cost and expense incurred by the Employer by reason of such Insolvency Event and shall, on first written demand, pay to the Employer without any deduction or set-off the amount of that loss, debt, damage, interest, cost and expense.

2. AMENDMENTS TO THE BUILDING CONTRACT

The Building Contract may be modified, amended or supplemented in any way without the Guarantor's consent. The Guarantor's liability under this deed (which includes the Contractor's duties, obligations and liabilities under the Building Contract as modified, amended or supplemented) shall not be affected by:

- (a) any such modification, amendment or supplement; or
- (b) any invalidity, avoidance or termination of the Building Contract; or
- (c) any waiver, concession, allowance of time, compromise or forbearance given to, or made with, the Contractor. The terms of this deed shall apply to the terms of any such compromise as they apply to the Building Contract.

3. EMPLOYER DOES NOT HAVE TO PURSUE CONTRACTOR

The Employer does not have to pursue any remedy against the Contractor before proceeding against the Guarantor under this deed.

4. INSOLVENCY OF CONTRACTOR

Without affecting clause 1.3, if the Contractor suffers an Insolvency Event that shall not affect or reduce the Guarantor's liability under this deed.

5. PRIORITY OF CLAIMS AGAINST THE CONTRACTOR

As long as any liability incurred by the Contractor to the Employer guaranteed under this deed remains unsatisfied, the Guarantor shall not, in respect of any payment made or liability arising under this deed, effect (or try to effect) any recovery from the Contractor,

whether by receipt of money, set-off, proof of debt, enforcement of security or otherwise.

6. LIMIT OF LIABILITY

The Employer may not recover any more under this deed in respect of any matter than the Employer would be entitled to recover from the Contractor in respect of that matter, net of any set off. The Employer may not start proceedings against the Guarantor under this deed in respect of any claim if any proceedings against the Contractor in respect of that claim would be statute-barred.

7. ASSIGNMENT

7.1 The Employer may assign or charge the benefit of this deed to any person to whom the Employer lawfully assigns or charges the benefit of the Building Contract.

7.2 The Guarantor and the Contractor may not assign or charge the benefit of this deed without the Employer's written consent.

7.3 The Employer shall notify the Guarantor of any assignment. If the Employer fails to do this, the assignment shall still be valid.

7.4 The Guarantor shall not contend that any person to whom the benefit of this deed is assigned under clause 7.1 may not recover any sum under this deed because that person is an assignee and not a named party to this deed.

8. NOTICES

8.1 A notice given to a party under or in connection with this deed:

- (a) shall be in writing;
- (b) [shall be signed by or on behalf of the party giving it;]
- (c) shall be sent to the party for the attention of the contact and at the address[email address, fax or DX number] listed in clause 8.3;
- (d) [unless proved otherwise] is deemed received as set out in clause 8.5 if prepared and sent in accordance with this clause.

8.2 The parties' addresses and contacts are as set out in this table:

Party	Contact	Address	[Fax number OR Email address]	[DX number]
Guarantor	[POSITION OF CONTACT]	[ADDRESS]	[FAX NUMBER OR EMAIL ADDRESS]	[DX NUMBER]
Contractor	[POSITION OF CONTACT]	[ADDRESS]	[FAX NUMBER OR EMAIL ADDRESS]	[DX NUMBER]
Employer	[POSITION OF CONTACT]	[ADDRESS]	[FAX NUMBER OR EMAIL ADDRESS]	[DX NUMBER]

8.3 A party may change its details given in the table in clause 8.2 by giving notice, the change taking effect for the party notified of the change at [9.00 am] on the later of:

- (a) the date, if any, specified in the notice as the effective date for the change; or
- (b) the date [five] Business Days (Business Day being defined as "a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business") after deemed receipt of the notice.

8.4 This table sets out:

- (a) delivery methods for sending a notice to a party under this deed; and
- (b) for each delivery method, the corresponding delivery date and time when delivery of the notice is deemed to have taken place provided that all other requirements in this clause have been satisfied and subject to the provisions in clause 8.6:

Delivery method	Delivery date and time
Delivery by hand.	On signature of a delivery receipt [or at the time the notice is left at the address].

[Pre-paid first class post or other] next working day delivery service[providing proof of postage OR delivery]].	[9.00 am] on the [second] Business Day after posting [or at the time recorded by the delivery service].
Pre-paid airmail [providing [proof of postage OR proof of delivery.]]	[[9.00 am] on the [fifth] Business Day after posting [or at the time recorded by the delivery service.] OR [TIME AND DATE].
Email.	At the time of transmission.
Fax.	At the time of transmission.
Document exchange (DX).	[9.00 am] on the [second] Business Day after being put into the DX.

8.5 For the purpose of clause 8.4 and calculating deemed receipt all references to time are to local time in the place of deemed receipt.

8.6 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

9. THIRD PARTY RIGHTS

No one other than a party to this deed, their successors and permitted assignees, shall have any right to enforce any of its terms.

10. GOVERNING LAW

This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

11. JURISDICTION

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim

(including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Executed as a deed by [NAME OF] acting by [NAME OF FIRST DIRECTOR] and [NAME OF SECOND DIRECTOR/SECRETARY]

.....
Director

.....
Director/Secretary

OR

Signed as a deed by [NAME OF]

.....
[SIGNATURE OF]

in the presence of [NAME OF WITNESS]

.....
[SIGNATURE OF WITNESS]

.....
[NAME OF WITNESS]

.....
[ADDRESS OF WITNESS]

Signed as a deed by [NAME OF]

.....
[SIGNATURE OF]

in the presence of [NAME OF WITNESS]

.....
[SIGNATURE OF WITNESS]

.....
[NAME OF WITNESS]

.....
[ADDRESS OF WITNESS]

Executed as a deed by [NAME OF] acting by [NAME OF FIRST DIRECTOR], a director and [NAME OF SECOND DIRECTOR OR SECRETARY], [a director **OR** its secretary]

.....
[SIGNATURE OF FIRST DIRECTOR]
Director

.....
[SIGNATURE OF SECOND DIRECTOR OR SECRETARY]
[Director **OR** Secretary]

OR

Executed as a deed by [NAME OF] acting by [NAME OF]

.....
[SIGNATURE OF DIRECTOR]

DIRECTOR], a director, in the presence of:

Director

.....

[SIGNATURE OF WITNESS]
[NAME, ADDRESS [AND
OCCUPATION] OF WITNESS]