

NZ-LDGgti10

Personal guarantee of company debt

This Guarantee is dated: [date]

The parties are:

The “Lender” [name] company number [number]
[].

The “Borrower” [name] company number [number]
[].

The “Guarantor” [name] whose []

Background

The Guarantor has an interest in the Borrower.

The Borrower is in the business of [business type] and has agreed with the Lender to

By this Guarantee:

1. Definitions

“Guarantee” means the guarantee set up in the

“Original Contract” means a contract dated [date] whereby the Lender agreed to lend and the Borrower to borrow the sum

2. The Guarantee

2.1. Subject to this agreement, the Guarantor now guarantees to pay all amounts due from time to time

;

OR

2.2. Subject to this agreement, the Guarantor now guarantees to pay the balance from time to time outstanding on the loan, full details of which are set out in the Original Contract and which today is the sum of [amount] as

OR

- 2.3. Subject to this agreement, the Guarantor now guarantees to pay all amounts due from time to time by the

()

- 2.4. If the Borrower fails to make a payment or fails

- 2.5. If a petition to the Court is presented by

- 2.6. The Guarantor agrees that his obligations are made to the

- 2.7. Any variation to the terms of the Original Contract shall not affect the

- 2.8. Guarantor agrees to indemnify the Lender against all liabilities

()

3. Guarantor's continuing liability

- 3.1. Without affecting the Borrower's obligations, the Guarantor shall be liable under this Guarantee as if

3.2. The Guarantor waives any rights he may have of first requiring the Lender to proceed against or claim from the _____ ,

(_____)

.

3.3. The liabilities and obligations _____ :-

3.3.1 neglect, delay or forbearance of _____

;

3.3.2 the giving of time _____

;

3.3.3 any variation _____

;

3.3.4 the assignment of Original Contract ; or

3.3.5 the insolvency or liquidation _____ ,

;

3.3.6 termination of Original _____

;

3.3.7 any other act, omission, matter or thing whatever whereby (but _____)

;

,

.

4. Limitations on Guarantee

4.1. The sum due under the Guarantee _____

.

4.2. [The obligations of the _____

[_____]].

4.3. If the Lender enters into any agreement which does or could, _____ ,

,

4.4. Before the Lender may call the Guarantee, he

5. Indemnity

6. Assignment of Guarantee

6.1.

OR, ALL OF

6.2.

6.3.

6.4.

7. Miscellaneous matters

7.1.

7.2.

It shall be deemed to have been delivered:

;

72 ;

24 ;

- : 24

-

.

7.3. ,

Signed by [personal name] on behalf of [named Lender] as its representative who personally accepts liability for the proper authorisation by [named Lender] to enter into this agreement.

Signed by [personal name] on behalf of [named Borrower] as its representative who personally accepts liability for the proper authorisation by [named Borrower] to enter into this agreement.

Signed by the [Guarantor]

Explanatory notes:

Personal guarantee of company debt

Paragraph Specific Notes:

Notes relating to individual paragraphs

1. Definitions

The identities of the Borrower and Lender are set down here because they are parties. A very simple guarantee could be effective if signed only by the guarantor but is this agreement,

By all means edit the defined names if you prefer. You can either personalise by using abbreviated versions of the company names or you can use some other designation, like “company”. We have avoided that

2. The Guarantee

This sets up the guarantee and binds the guarantor to the original

3. Guarantor’s continuing liability

This paragraph strengthens the position of the lender. It sets the guarantee in concrete.

4. Limitations on Guarantee

This paragraph has the opposite effect of the previous one. Here, the guarantor limits what he is prepared

5. Indemnity

A simple indemnity to protect the guarantor fully.

6. Assignment of Guarantee

If you leave this in ,

Normally, an assignment of the rights under

7. **Miscellaneous matters**

A number of special points. We have identified each of these as important to

These are just as valid in

End of notes